

## PHD

### The end of social democracy and the rise of neoliberalism at the BBC

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**The end of social democracy and the rise of neoliberalism at the BBC**

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**A thesis submitted for the degree of Doctor of Philosophy and Sociology**

**University of Bath**

**Department of Social and Policy Sciences**

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## **Abstract**

Drawing on interviews and archival material, this thesis examines how the crisis of the 1970s and the rising power of business under the neoliberal settlement that followed impacted on the BBC's organisational structure, policies and journalistic practices. Part I focuses on the breakdown of social democracy. Orientated towards and legitimised by the social order that seemed under strain, the politically appointed BBC leadership took a conscious conservative turn and, under pressure from the government, sought to curtail the influence of union militancy and sixties radicalism and to stem its own 'fiscal crisis' through wage repression. Meanwhile, despite facing criticism over its economic reporting, which routinely blamed trades unions for the perceived economic decline and crisis, the BBC leadership refused to even seriously question long standing editorial conventions. This, it is argued, left an explanatory vacuum that the New Right were able to skilfully exploit. Part II describes the process of change that the BBC then underwent in the wake of Thatcherism. It argues that the highly unpopular organisational reforms introduced under the leadership of John Birt represented an institutionalisation of the new neoliberal order at the BBC. It describes how business journalism came to displace social democratic patterns of reporting as a result of both top down initiatives and a range of external factors including privatisation and financialisation, the changing political economy of the private media and the power of advertising and public relations. By analysing archival and interview material in the light of scholarly work on neoliberalism, broadcasting and power, the thesis offers an empirically rich account of the subtle ways in which journalistic norms are shaped by wider social forces and a more satisfactory account of the BBC and its role in British society than existing studies.



## Chapter 1

### Introduction: Neoliberalism and democracy, broadcasting and power

How did the breakdown of social democracy and the rise of neoliberalism impact on the BBC's policies, organisational structure and institutional culture? Focusing on the BBC's relationship with major economic actors – principally trade unions, big business and the state – this thesis examines this question through the use of archival material, interviews and the existing literature on broadcasting and neoliberalism. It is not intended as a comprehensive account of the BBC during this period; if it were I could rightly be accused of neglecting many facets of the BBC's institutional life. Rather what is presented here is a series of historical-sociological case studies, arranged roughly chronologically, which, focusing on the BBC's news and current affairs output, examine the complex set of social processes through which elites have acted upon, and through, the BBC.<sup>1</sup> It is therefore as much a study of *social power in action* as it is an examination of a hugely significant, indeed historic, institution.<sup>2</sup> On the basis of these case studies, this thesis advances a framework for understanding media power which, whilst drawing substantially on existing scholarship, avoids many of the shortcomings and limitations of existing accounts.

This opening chapter serves as a necessarily brief introduction to some of the scholarly themes this thesis addresses. As the title suggests, neoliberalism is a central concern and its relationship with democracy – which is another – is the subject of the following section. Drawing on the scholarship on neoliberalism, as well as on empirical studies of policy making in the neoliberal period, it is argued that neoliberalism should be conceptualised as both an intellectual movement and a political project associated with particular interests. It describes how neoliberalism was developed in reaction to the more egalitarian social formations that emerged in the 20th century, and particularly after the Second World War, and argues that it has in effect entailed the narrowing of spaces for free and democratic deliberation – spaces on which a functional democracy depends. The following sections consider the role of media and communications in democracy, with a particular focus on the origins of the BBC and its role in British society. These sections examine the relationship between democracy and public service broadcasting – the official ideology of the BBC – and provide some historical and conceptual context to the case studies presented in subsequent chapters. Primarily through an engagement with the work of David Cardiff and, especially, Paddy Scannell, it is argued that the idea of public service broadcasting, and the institutional form it took in the BBC, was shaped by democratic forces, but also by elite ideas and interests, meaning that whilst the BBC has served as a space for democratic deliberation, that space has always been limited by the interest of elites. A central argument of this thesis is that this space has further narrowed in recent decades as the BBC has undergone a gradual transformation from a quintessential social democratic institution to a neoliberal bureaucracy.

These claims about the elite orientation of BBC and the wider news media are supported in this introductory chapter by a survey of the scholarship on media content. It is noted that despite the broadly consistent findings on this subject, there remains little consensus as to the causal factors behind elite-orientated patterns of reporting. It is suggested that in order to resolve such questions we must move beyond the analysis of 'content', to an examination of the social forces influencing its production. The approach taken here, which is outlined in the methods and theory section, is to develop an historical and institutional analysis of the BBC with particular attention to the social forces which have shaped and reshaped its organisational structure and institutional culture.

#### Neoliberalism, democracy and the public sphere

The research on which this thesis is based began shortly after the US investment bank Lehman Brothers filed for bankruptcy in September 2008. Within weeks, the British financial system was on the brink of total collapse,<sup>3</sup> rescued only by a £37 billion public recapitalisation of three of the country's largest banks, RBS, HBOS and Lloyds TSB. Commenting on the bailouts, the BBC's then business editor Robert Peston – who exactly a year earlier had revealed that the Bank of England would provide emergency financial support for the mortgage lender Northern Rock<sup>4</sup> – remarked that it was 'perhaps the most extraordinary day in British banking history'.<sup>5</sup> More than that, it was an extraordinary day in British political and economic history. The prevailing orthodoxy had held that

markets were made up of rational actors whose judgements would lead to efficient and rational outcomes.<sup>6</sup> But far from leading to rational outcomes, financial institutions collectively engaged in dangerous lending practices which without state funded rescue packages would have likely resulted in the total collapse of the capitalist system. The worldwide ‘bailouts’ made a mockery of the small state rhetoric that had accompanied the ‘free market’ reforms. In Britain, the recapitalisation and nationalisations (which also included the nationalisation of Northern Rock and Bradford and Bingley) were just the tip of the iceberg. The National Audit Office has estimated that the total public funds provided to the banks peaked at as much as £1,162 billion;<sup>7</sup> whilst yet further support came through schemes like Funding for Lending and Quantitative Easing. Under the latter, the Bank of England approved a total of £375 billion of public money to be poured into the financial system.<sup>8</sup>

After two decades in which ‘free market’ ideology<sup>9</sup> had dominated British public life, this was market failure on a monumental scale. Conceptions of the market and the state that had come to dominate public life looked as bankrupt as Lehman Brothers. But writing only days after the Lehman’s collapse, Naomi Klein, cautioned against pronouncing the death of neoliberalism. ‘Free market ideology has always been a servant to the interests of capital, and its presence ebbs and flows depending on its usefulness to those interests,’ wrote Klein, who warned that ‘the ideology will come roaring back when the bailouts are done’.

The massive debts the public is accumulating to bail out the speculators will then become part of a global budget crisis that will be the rationalisation for deep cuts to social programmes, and for a renewed push to privatise what is left of the public sector.<sup>10</sup>

Klein’s warning proved remarkably prescient. Despite considerable public anger, there was no substantial reform of the financial system, nor of society more broadly. Crises of capitalism, Andrew Gamble has noted, ‘create the conditions for the rise of new forms of politics’ and tend to give rise to ‘new institutions, new alignments, new policies, and new ideologies.’<sup>11</sup> But in so far as the 2008 financial crisis, and the recession which followed, led to social change in Britain, they only augmented the wealth and power of the very classes and institutions which had benefitted most in the period leading up to, and who were most responsible for, the collapse. The banks retained their enormous institutional power and continued to award huge sums to staff in wages and, most controversially, bonuses and, whilst wages remained stagnant for years, the wealth of the superrich saw unprecedented increases.<sup>12</sup> There had been a crisis of global capitalism, which on the face of it should have led to a crisis of its dominant ideology of neoliberalism. But the ideas and institutions at the heart of the capitalist system proved resilient. This was something of a puzzle to those who had expected the discrediting of ‘free market’ ideas to give rise to more equitable forms of economic governance. Crouch has dubbed this the ‘strange non-death of neoliberalism’ and in his 2011 book of that title, argues that it can be explained by the fact that ‘actually existing, as opposed to ideologically pure, neoliberalism’ is devoted not to ‘free markets’ but to ‘the dominance of public life by the giant corporation’.<sup>13</sup> Wilks similarly sees neoliberalism as an important ‘mobilising and legitimating discourse for business leaders’ which provided ‘a public and private ideological coherence for’ what he terms the New Corporate State,<sup>14</sup> but like Crouch insists that ‘the market is not free and the idea of neoliberalism... conceals a reality of market intervention by corporations through corporate strategies and through their influence over government agencies.’<sup>15</sup> Neoliberalism is understood here in similar terms. Whilst as a body of thought it is the outcome of considerable intellectual labour, and cannot be crudely reduced to the interests of elites or a particular elite group or faction, equally we cannot provide a convincing account of the social transformations that took place in the decades leading up to 2008 without attention to the question of social power, and corporate power in particular. Apologists and critics have often neglected this aspect, tending to conceptualise neoliberal capitalism as driven primarily by the popularity, or dominance, of a particular set of ideas. But as we shall see, such approaches are seriously misleading. Neoliberalism has never been especially popular, something explored further in Chapter 7, and the story of its rise – part of which is described in this thesis – is not one of the persuasive power of ideas but, to borrow a phrase used by one interviewee, an ‘elite capture of society’.<sup>16</sup> It became deeply embedded within social institutions, the BBC amongst them. This helps explain how it survived what Alan Greenspan in 2008 referred to as the ‘collapse’ of the ‘whole intellectual edifice’.<sup>17</sup>

What was that ‘intellectual edifice’? A ‘coherent, if loose, body of ideas’,<sup>18</sup> neoliberalism was originally developed by a relatively small group of anti-communist intellectuals who sought to revive the tradition of classical liberalism. Led by the Austrian economist and political philosopher Friedrich Hayek, they convened from 1947 as members of the Mont Pelerin Society, an organisation convened to discuss the decline of classical liberalism and – Hayek hoped – to over time develop a rigorous intellectual defence of individual freedom, the competitive market and private property.<sup>19</sup> Described by Hayek as ‘something halfway between a scholarly association and a political society’, the Mont Pelerin Society operated as a ‘functional hierarchical elite of regimented political intellectuals’,<sup>20</sup> an international, multi-disciplinary and relatively heterodox ‘thought collective’<sup>21</sup> whose members opposed with growing confidence the ‘collectivism’ of the post-war era. In his influential account, Harvey defines neoliberalism as

a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets and free trade.<sup>22</sup>

Neoliberal ideas were spread through a ‘global network of think tanks, policy institutes, corporate planning groups, intellectuals, [and] political and corporate leaders’,<sup>23</sup> and in the UK were disseminated principally via the Institute of Economic Affairs,<sup>24</sup> a think-tank which received funding from major British corporations and found enthusiastic converts in politics and the media.<sup>25</sup> By the mid-1970s, it had established itself as the ‘body of ideas best placed to capitalize on the opportunities created by the social and economic storms’.<sup>26</sup> In the UK, neoliberal ideas strongly influenced the core of the reactionary coalition led by Margaret Thatcher, which as Hall noted in his classic essay sought to galvanise opposition to the post-war consensus through ‘a particularly rich mix’ of ‘resonant traditional themes – nation, family, duty, authority, standards, self reliance... effectively condensed into it.’<sup>27</sup>

Popularisers of neoliberalism in Britain and elsewhere, sought to portray their creed as anti-elitist and markets as a democratising force. But neoliberal reforms led to growing inequality and a remarkable concentration of wealth and power.<sup>28</sup> Moreover, as Roberts has shown, they were built upon a ‘deep scepticism about the merits of conventional methods of democratic governance’.<sup>29</sup> In 1975, he notes, the influential *New York Times* journalist and editor, Scotty Reston, wrote of ‘widespread doubt about the capacity of free societies to deal with the economic, political and philosophical problems of the age’.<sup>30</sup> That same year, a group of political scientists warned the Trilateral Commission that ‘the expansion in political participation and the intensified commitment to democratic and egalitarian norms’ had combined with ‘a breakdown of traditional means of social control’ to give rise to a ‘crisis of democracy’. There was, they warned, a ‘danger of overloading the political system with demands which extend its functions and undermine its authority’.<sup>31</sup> This anxiety about an excess of democracy threatening the capitalist system was also strong in Britain; a trend exemplified by Sam Brittan’s essay, ‘The economic contradictions of democracy’ which was incorporated into his subsequent book, *The Economic Consequences of Democracy*.<sup>32</sup> An influential columnist at the *Financial Times*, Brittan had embraced monetarism after reading Milton Friedman and thereafter became a key disseminator of neoliberal ideas in the UK. In his 1974 essay he warned that liberal freedoms would only be saved if the ‘disease’ of ‘contemporary egalitarianism were to lose its hold over the intelligentsia’. Democracy, Brittan argued, threatened liberalism through its ‘generation of excessive expectations’ and ‘the disruptive effects of the pursuit of group self-interest in the marketplace... of which the trade unions are an outstanding... example’.<sup>33</sup> Brittan followed Hayek and other neoliberals in distinguishing democracy from the ‘free society’ and by seeing the former as a potential threat to the latter. Hayek, influenced by Carl Schmitt, argued that the social democratic state necessarily led to arbitrary government and violations of the rule of law, and believed that state action should be limited to establishing a neutral legal framework to facilitate spontaneous order.<sup>34</sup> Hayek’s call for the ‘dethronement of politics’, William Scheuerman argues, reflected his belief that the democratic state represented a threat to a polity dominated by those with ‘property and education’.<sup>35</sup> This anti-political impulse in neoliberalism reaches its apogee in public choice theory (as is further detailed in Chapter 5), but is arguably implicit in all neoliberal thought, a ‘common thread’ of which,

Davies suggests, is the ‘attempt to replace political judgement with economic evaluation’.<sup>36</sup> Following Streeck, we can conceptualise this displacement of politics with economic evaluation as the triumph of one of two conflicting principles, or regimes, of resource allocation that have operated within democratic capitalism: one based on market forces and the other on democratic politics.<sup>37</sup>

Before the onset of the neoliberal period, a number of social forces and historical factors – principal among them working class organisation and agitation, total war, capitalist crisis and the threat of Soviet communism – had converged in such a way as to create, for a relatively short period, more democratic and egalitarian social formations in Britain and the other advanced capitalist societies of the Global North. Considerable concessions had been granted to workers in the shape of legal protections, public service provision and a political commitment to full employment. These concessions were underpinned by redistributive taxation and certain restrictions on business and finance, especially capital controls, informed by Keynesian economics, enabling greater democratic influence over the creation and distribution of wealth.<sup>38</sup> This particular set of institutional arrangements, which has been variously labelled social democracy, embedded liberalism, Keynesian welfarism, corporatism, the post-war consensus, and a host of other terms, went into terminal decline from the mid-1970s.<sup>39</sup> It was at this point that neoliberalism came to the fore and the trend towards a more democratic and egalitarian politics and political economy was reversed.<sup>40</sup>

A number of studies have detailed how in Britain and elsewhere the shift to neoliberal governance eroded popular participation in formal politics and undermined the capacity for democratic decision-making. Mair, for example, focuses on the decline of party politics in Europe, arguing that in the place of a political sphere shaped by civil society, political elites have ‘constructed [Europe] as a protected sphere, safe from the demands of voters and their representatives’.<sup>41</sup> Hay, who also focuses on popular disaffection with, and disengagement from, formal politics, describes how globalisation has undermined the capacity for democratic deliberation, whilst the influence of neoliberal ideas and public choice theory have led to a profound cynicism about politicians and the political process.<sup>42</sup> The decline in functional democracy noted by Mair, Hay and others can, following Roberts, be understood as a strategy to ‘discipline democracy’. Far from increasing popular participation in political decision-making, Roberts notes, neoliberal reforms have in practice imposed limits on democracy by ‘deliberately buffering certain arms of the state from the mechanisms that provide leverage to popular opinion’.<sup>43</sup>

What becomes of democracy once ‘economic’ questions have been effectively depoliticised, and politics has been ‘dethroned’? Many existing accounts suffer from the weakness that they, like Mair and Hay, focus on the mechanisms that have been eroded without due attention to the forms of decision-making that have displaced them, or like Roberts fail to give enough attention to the agents implicated in, and benefitting from, these processes. Beetham, by contrast, notes that the erosion of British democracy since the 1980s coincided with the increased political power of a corporate elite able to influence politics through the financing of political parties, think-tanks and lobbying organisations, its membership of advisory bodies, joint partnerships with government and a regular interchange of personnel between the public and private sector.<sup>44</sup> Crouch advances a similar argument about the political process in *Post Democracy*, a term he uses to describe the trajectory of formerly social democratic societies transformed by neoliberalism. Politics in post-democratic societies, Crouch argues, becomes ‘a tightly controlled spectacle’ behind which decision-making ‘is really shaped in private by interaction between elected governments and elites that overwhelmingly represent business interests’.<sup>45</sup> Similarly, Wilks argues that corporations have completely transformed the state and that a corporate and financial elite ‘has emerged as a governing cadre’ capable of dominating the policy agenda and marginalising other interests.<sup>46</sup> For Boggs, who focuses on US politics, corporations have, since the 1970s, successfully colonised and depoliticised the public sphere, eroding functional democracy through their

growing presence in the economy, their extensive lobbies and influence over legislative activity, their ownership and control of the mass media, their preponderant influence over election campaigns, their capacity to secure relief from myriad regulatory controls, their massive public relations apparatus, their general subsidies to the two major parties and the convention process, and so forth.<sup>47</sup>

The notion that neoliberalism has effectively led to the domination of public life by a corporate and financial elite may seem a provocative thesis, but it is given considerable empirical weight by the work of the US political scientist Martin Gilens. Gilens compiled a dataset of the policy preferences of US citizens from different income groups and compared them with policy outcomes. He discovered that ‘under most circumstances, the preferences of the vast majority of Americans appear to have essentially no impact on which policies the government does or doesn’t adopt.’<sup>48</sup> Policy outcomes did, however, accord closely with the preferences of the richest 10% of the population. In *Affluence and Influence*, Gilens writes that whilst he ‘cannot reliably estimate the preferences of the tiny sliver of the public at the very top of the income distribution’,<sup>49</sup> the findings raise the question of whether

the top income decile are really shaping political outcomes or whether the stronger association we observe arises from the confluence of their preferences with a much smaller and more affluent circle that wields true influence over government policy.<sup>50</sup>

A subsequent paper co-authored by Gilens with Benjamin Page points to evidence from the 2011 Cooperative Congressional Election Study which shows a close correlation between the preferences of the top 10% and top 2% of the US population. The authors argue, therefore, that Gilens’s data on the 90<sup>th</sup> percentile can be treated as a proxy for ‘economic elites’ and based on that assumption conclude that along with ‘organized groups representing business interests [they] have substantial independent impacts on U.S. government policy, while mass-based interest groups and average citizens have little or no independent influence.’<sup>51</sup> Another quantitative assessment of the ‘post-democracy thesis’ has been undertaken by Pablo Torija who, using data from the World Value Survey (WVS) along with national macro economic variables and an index of political ideology, developed a dataset to empirically measure the political representation of different income groups within OECD countries. Extrapolating from his data, Torija concludes that in 1975, centre-left parties most favoured lower income groups (percentile 16), centrist parties most favoured the medium income voter (percentile 50), whilst centre-right parties most favoured affluent voters (percentile 81). By 2009, however, parties in OECD countries of all political orientations enacted policies which maximised the happiness of the richest 1-5% of the income scale.<sup>52</sup> These results suggest that the democratic deficit documented by Gilens and his collaborators in the US holds for other OECD countries, and moreover that it is the outcome of a social process which began in the 1970s with the collapse of social democracy.

The democratic deficit that resulted from the neoliberal transformation did not go unnoticed outside of academia, even before the occupy movement popularised the rhetoric of the 99%. In 2006, a commission known as the Power Inquiry published a report on the decline in political participation in the UK. It observed that over the course of the previous two decades, ‘unelected and indirectly elected authority has gained powers at the expense of directly elected authority’ and noted that ‘business is widely cited by the public as having greater influence over government than citizens... an impression that has been enhanced by the increasing use being made of commercial organisations to deliver public services.’ Referring to the primacy of ‘markets, contracts and economic rationality’ in public life, the members of the commission remarked: ‘We do not believe that the consumer and the citizen are one and the same, as the new market-driven technocracy seems to assume.’<sup>53</sup> This phrasing echoes Leys’s *Market-Driven Politics*, in which he describes a ‘shift of power from voters to capital’ that took place in the neoliberal period. The neoliberal ‘political project’, according to Leys, transformed British society and culture through commodification and the reshaping of political parties and institutions in ‘the interests and logic of global capital’.<sup>54</sup> Importantly for our purposes, Leys points not only to the erosion of decision-making processes, but also the commodification of public services ‘that are primary requirements of genuine democracy’.<sup>55</sup> Leys’s account reminds us that the process of *neoliberalisation* entailed not only a significant realignment of power structures and an augmentation of corporate power, but also the privatisation or marketisation of social spaces previously insulated from capital accumulation and the logic of the market. Amongst these social spaces are constituents of what Habermas influentially dubbed the public sphere – an inclusive space for reasoned, democratic deliberation. For Garnham, this is part of a longer process whereby ‘commodity exchange invades wider and wider areas of social life and the private sphere expands at

the expense of the public',<sup>56</sup> a dynamic Harvey argues is central to neoliberalism and which Leys has analysed with reference to public service broadcasting in particular.<sup>57</sup> Following Habermas,<sup>58</sup> the BBC is understood here as a crucial component of what we might call the 'actually existing public sphere', and its structural transformation from the late 1980s as a process of 're-feudalisation'. This thesis explores this process in detail and argues that it is part of a broader dynamic whereby with the ascent of neoliberalism, democracy has effectively been rolled back. The following sections expand on this analysis by considering in further detail the theoretical importance of the media to a functional democracy through an examination of the historical development of the BBC and public service broadcasting.

### **The birth of broadcasting**

The BBC started life as the British Broadcasting Company Ltd, a corporate consortium of the 'Big Six' radio manufacturers formed in October 1922 and granted an exclusive license to broadcast by the Post Office in January 1923.<sup>59</sup> These companies were 'only trying to create a demand for equipment and did not care about the programme content'.<sup>60</sup> The companies' profits lay in 'extending the market for receiving sets' and they considered that the best way to do so was to establish 'a first-class broadcasting service'.<sup>61</sup> Broadcasting itself was not identified as a profitable activity, and Burns suggests that the establishment of the BBC can be seen as 'a blueprint for the State financing of products and services which are either essential for, or favourable towards, profitable ventures by private enterprise' – part of the rise of a 'social-industrial complex'.<sup>62</sup>

The main reason for the establishment of a single broadcaster in Britain, in contrast to the multiplicity of broadcasters in the US, was according to Briggs not primarily opposition to advertising (which was also strong in the US), but concern over the scarcity of available wavelengths.<sup>63</sup> Broadcasting was regarded as a 'natural monopoly' and the Post Office sought to prevent either its *de facto* monopolisation by the Marconi Company<sup>64</sup> – the dominant force in the industry – or a chaotic struggle for control over a finite resource. The Postmaster General explained to the House of Commons that it 'would be impossible to have a large number of firms broadcasting' and 'would result only in a sort of chaos, only in a much more aggravated form than that which arises in the United States'.<sup>65</sup> Though the British Broadcasting Company's managing director, John Reith, would later extol 'the brute force of monopoly'<sup>66</sup> as the only guarantor of cultural and educational standards, at this early stage the prevailing argument for 'unified control' was as a response to the 'chaos of the ether'.<sup>67</sup> As Ronald Coase, an early neoliberal critic of public service broadcasting notes, 'The view that a monopoly in broadcasting was better for the listener was only to come later'.<sup>68</sup>

A philosophical rationale for the shape that British broadcasting took was first articulated during the Sykes Committee of 1923, which recommended that the 'wavebands' be regarded as 'public property' and subject to 'public safeguards'.<sup>69</sup> This nascent notion of public service broadcasting was further developed by Reith 'and a small nucleus of senior personnel in [BBC] Head Office'.<sup>70</sup> Whilst the scarcity of the airwaves was the strongest argument in favour of a state sponsored monopoly, the limitless supply capacity of the ethereal broadcasting product was used to argue for it as an exception to the distributional logic of the market.<sup>71</sup> The 'stiff-lipped gentlemen who conceived of the BBC in the middle years of the 1920s'<sup>72</sup> held that broadcasting should be not-for-profit, under 'unified control' and made available to the whole of the nation. The most famous ingredient in the Reithian vision though was the insistence on high cultural standards. Reith, influenced by a 'combination of nationalism, Victorian ideals of service and of social reform, and the vaunted Arnoldian ideal of middle-class culture and education',<sup>73</sup> championed 'public service as a cultural, moral and educative force for the improvement of knowledge, taste and manners'.<sup>74</sup> This was again linked to scarcity, an argument affirmed decades later by the Pilkington Committee, which considered that since 'the frequency space available to broadcasting is limited, it is essential that what is available should be used to the best advantage'.<sup>75</sup>

As Scannell and Cardiff note, missing from Reith's formulation was any consideration of the new medium's political significance, but this was nevertheless an important ingredient and one implicit in the veneration of cultural and moral standards.<sup>76</sup> The BBC emerged at a time when non-elite groups

were being integrated into formal politics, whilst elites – anxious about the impact on the existing social and political order – attempted to manage this process.

Many politicians or opinion leaders who were frightened by the rapid expansion of revolutionary ideas presented the state as the only possible safeguard against abuses of democracy. Others stressed the social duties of the state, which had to educate public taste.<sup>77</sup>

Broadcasting promised to facilitate the integration of the formerly disenfranchised masses into the polity. Radio, Reith believed, would help create ‘an informed and reasoned public opinion as an essential part of the political process in a mass democracy’.<sup>78</sup>

Given that the birth of broadcasting is tied up with the emergence of ‘mass democracy’, a key question is whether the BBC should therefore be understood as an instrument of social control or a facilitator of democratic public life. One of the most forceful advocates of the latter position is Paddy Scannell, co-author with David Cardiff of *A Social History of Broadcasting*. Scannell argues that public service broadcasting ‘unobtrusively contributed to the democratisation of everyday life’.<sup>79</sup> Drawing on Habermas’s concepts of communicative rationality and the public sphere, he argues that the early BBC fostered ‘a new kind of public life’ through the ‘relaying and creation of real-world events and occasions’.<sup>80</sup> Similar praise is lavished on the BBC by Tracey, who in his study declares his ‘deeply held personal conviction that public service broadcasting has historically been a major benefit to the cultures within which it has existed,’ and whilst accepting that the practice is ‘fallible and flawed’ asks critics to ‘damn the sin, but not the sinner’.<sup>81</sup>

### **The shadow of power**

In the opening pages of *A Social History of Broadcasting*, Scannell and Cardiff declare their intention to ‘recover the arguments and ideals that informed the way in which broadcasting was established’,<sup>82</sup> noting that the medium ‘seemed to be one significant and unprecedented means of helping to shape a more unified and egalitarian society’.<sup>83</sup> Their argument, however, is not that broadcasting always lived up to such ideals. On the contrary, their account describes in some detail how the *ideal* of democratic broadcasting was undermined *in practice* by the state and other powerful interests. Whilst the BBC had ‘rejected the profit motive as the basis of its institutional existence’, they note, ‘the spirit of bureaucracy began to pervade its activities as the size and scale of its enterprise grew in the thirties’. In that decade, relentless pressure from politicians and state officials, combined with ‘well-orchestrated campaigns in the right-wing national press’, effectively stifled the democratic potential of early broadcasting.<sup>84</sup> Indeed, having argued for the ‘fundamentally democratic’ character of inter-war broadcasting with Cardiff in *A Social History of Broadcasting*, Scannell elsewhere suggests that it was only in the late 1950s ‘that broadcasting’s universe of discourse began to open out and blossom.’ The creation of ITV in 1955, he argues, ‘gave the BBC something other than its political masters to worry about,’ and it adopted ‘a more populist, democratic stance’.<sup>85</sup>

If interwar broadcasting aligned itself with its ‘political masters’, in what sense can broadcasting be seen as a ‘fundamentally democratic’ medium? There seem to be two distinct arguments in *A Social History of Broadcasting*. One is that programme makers laboured in good faith and against considerable obstacles to make it so – fighting on behalf of their audiences for access to cultural, educational and political content. Another, more pertinent to claims about the *fundamental* character of broadcasting, is that the technology of the medium allowed for equal access to a common culture, and later to information about political life.<sup>86</sup> The BBC, Scannell and Cardiff argue, created a ‘radically new type of public – one commensurate with the whole of society’:

The fundamentally democratic thrust of broadcasting – of which Reith was well aware – lay in the new access to virtually the whole spectrum of public life that radio opening up for everyone. Broadcasting equalized public life through the principle of common access for all.<sup>87</sup>

The notion that universal access is inherently democratic is adopted and adapted from Reith and his ‘small nucleus of senior personnel’, and in and of itself it does not seem a sufficient condition for an authentically democratic arrangement. The classic totalitarian regimes of the twentieth century after

all also allowed for universal access to radio, and Reith's fascist sympathies are worth noting for this reason (as well as a corrective to Scannell and Cardiff's rather sanguine treatment of the man). Like many other British elites in the interwar period, Reith was open about his admiration for Hitler.<sup>88</sup> In May 1933, he told an audience at Manchester University that in his view: 'A man may be as good a democrat as any other and yet reject, in the light of philosophy, history or experience, democratic process to accomplish democratic ends'.<sup>89</sup> Two years later he made a similar remark praising Mussolini for his pursuit of 'high democratic purpose by [non-democratic] means'.<sup>90</sup> What these comments make clear is that for Reith, democracy – of which broadcasting was the handmaiden – was synonymous with mass society, and the 'democratic process' with the integration of the formerly disenfranchised populous into the 'imagined community' of the nation and the Empire. Radio, Reith wrote revealingly in *Broadcast over Britain*, was capable of 'making the nation as one man'.<sup>91</sup> As Scannell notes, he was well aware that 'broadcasting might bring together all classes of the population' and 'prove to be a powerful means of promoting social unity particularly through the live relay of... national ceremonies and functions'.<sup>92</sup>

Such a function though is surely more suggestive of broadcasting as an instrument of nationalism than a facilitator of democratic public life. Scannell and Cardiff note that the Victorian public service ideal which so animated Reith, 'did nothing to change the balance of power in society, and maintained the dominance of the middle classes over the lower ranks,' and that for Matthew Arnold culture 'was a means of incorporating the working classes within the existing social and political order, and thus preventing the threat of revolt from below'.<sup>93</sup> Broadcasting would seem to follow this same pattern. Whilst radio was egalitarian in so far as it created a universal audience, for it to constitute a public in the Habermasian sense, it would have had to afforded not only 'common access to the discourses of public life',<sup>94</sup> but also opportunities to contribute to and contend official discourses. Yet as Scannell concedes, broadcasting allows for 'no possibility of [the] interaction that is the basis of any properly communicative situation',<sup>95</sup> whilst its public discourses have maintained inequalities of power through hierarchies of access. A 'generalized weight and authority', he notes, is conferred on 'politicians, businessmen, authorities, experts, media reporters and commentators' whilst others are rarely 'entitled to newsworthy opinions'.<sup>96</sup>

Having acknowledged such limitations, Scannell finally advocates the development of forms of politics and broadcasting capable of transcending 'the particular definition of democracy established back in 1918' allowing people 'to play an active part in public life and decision-making, thereby exercising greater control over their own individual and social life'.<sup>97</sup> Where does this conclusion leave the claim about the 'fundamentally democratic' nature of broadcasting? His own work (with Cardiff) describes very well the extent to which broadcasting, whatever its egalitarian and democratic potential, has in practice been constrained by elite interests. But such constraints, even if of an enduring character, are treated as deviations from broadcasting's fundamental character. Rather like Habermas, Scannell oscillates uneasily between normative ideals and historical reality. An alternative perspective, which shares much of the normative commitment to democracy evident in Scannell's work, and seems to fit much of the evidence and argumentation therein, is to conceive of public service broadcasting as an ideal and practice shaped in part by democratic forces, but also by other ideas and interests, principal among them senior politicians, state officials, the private press and the Oxbridge educated cultural elite. Indeed, as Asa Briggs's official account demonstrates, and as Nieminen argues from a Gramscian perspective, it was precisely the negotiation between these various elite factions which led to the initial formulation and institutionalisation of public service broadcasting.<sup>98</sup> Democratic and egalitarian social forces also played a part – largely as Nieminen suggests, by empowering certain elite factions – meaning that public service broadcasting did open up new spaces for democratic deliberation. But from its very beginnings these spaces were limited by hierarchies of access to programme making and were shaped by internal bureaucratic forces and externally by elites seeking to curtail or manage, rather than facilitate, democratisation.

When were broadcasters then able to emerge from 'under the shadow of the state and the other main repositories of power' – as the future BBC Director-General John Birt once put it?<sup>99</sup> The consensus, Curran writes, 'is that broadcasting became effectively free of government by the 1950s, assisted by the arrival of commercial television in 1955'.<sup>100</sup> Scannell is careful to emphasise that broadcasters



continued to face difficulties and were ‘always under pressure’,<sup>101</sup> but nevertheless argues that with establishment of ITV in the 1950s, the BBC was finally able to fulfil ‘its role as an independent public sphere, as a forum for open public discussion of matters of general concern.’<sup>102</sup> Other (liberal) accounts of British broadcasting describe how the medium was able to overcome various formal strictures between 1926 and 1960, particularly in its coverage of politics. The so called ‘Suez Crisis’ of 1956 holds an important place in such narratives. Whilst the BBC’s ‘political broadcasting grew more incisive’ with the arrival of ITV in 1955, Crisell writes, it was the ‘Suez crisis of 1956 which marked the beginning of the end of the old relationship between politicians and broadcasters’.<sup>103</sup> During the ‘crisis’, the BBC angered the government by giving airtime to the official opposition and was able to overcome the restrictive ‘fourteen day rule’, which had prevented broadcasting of issues due to be debated in parliament.

As Curran notes, the Suez episode represents one of a number of ‘landmarks’ in liberal accounts which describe the ‘slow journey’ by which the BBC overcame its ‘initial subordination’, escaping ‘from the shadow of the state to become independent’.<sup>104</sup> There follows, in such accounts, the much vaunted, ‘Golden Age’ of broadcasting. As is described in further detail in Chapter 3, the BBC in the 1960s, under the leadership of Hugh Greene, adopted a less austere style of broadcasting and produced socially conscious dramas and satirical programmes. Greene, ‘an astute public relations man and a clever political lobbyist’,<sup>105</sup> presented an effective case to the Pilkington Committee of 1962,<sup>106</sup> and this, Seaton notes, gave ‘the BBC the *élan* and confidence which were the basis for its most exciting expansion in the 1960s.’<sup>107</sup> The BBC, Greene himself claimed, was transformed, no longer a ‘pillar of the Establishment’, and reshaped by a ‘new and younger generation’.<sup>108</sup> That decade, Tracey notes, is ‘widely regarded within the advanced industrial societies as a high-water mark of public service broadcasting’<sup>109</sup> and he considers that ‘British broadcasting from the 1960s on was more consistently and broadly creative and powerful than any other system.’<sup>110</sup>

### Patterns of reporting

How substantial was this break with ‘the Establishment’?<sup>111</sup> Crisell goes as far as to suggest that broadcasters in the ‘50s and ‘60s even helped facilitate the emergence of new social movements through the coverage of anti-nuclear marches and environmental activism.<sup>112</sup> Such claims are congruent with elite conceptions of the media (liberal and conservative) – which tend emphasise the media’s independent and critical stance *vis-à-vis* power – but not with the evidence. The media’s treatment of sixties anti-war activism was the subject of a seminal study which found that coverage of a celebrated demonstration of October 1968 focused overwhelmingly on violence and the possibility of violence rather than the substantive issues at stake.<sup>113</sup> For Murdoch, one of the authors of that study, this was evidence of the media ‘managing conflict and dissent, and legitimising the present distribution of power and wealth in British capitalism’.<sup>114</sup> This claim should be considered in light of the BBC’s earlier treatment of extra-parliamentary politics. Adamthwaite finds that during the 1940s and 1950s, ‘despite its vaunted independence and impartiality [the BBC] acted as the Establishment’s voice, promoting the official line on defence [and] muzzling or restricting the expression of conflicting views.’<sup>115</sup> A closer examination of the Suez episode also reveals how misleading many accounts of broadcasting and power can be. Shaw concludes that the BBC’s current affairs programming ‘evinced a discreet, yet distinct, pro-government bias’<sup>116</sup> and even late on in the crisis, ‘continued to do the government’s bidding, even though according to polls, the majority of the British people was now against any resort to force.’<sup>117</sup> A number of other studies spanning the time scale of this thesis similarly find that despite the inevitable tensions and conflicts that do occur, BBC journalism has been consistently favourable towards the interests and perspectives of elite groups, and has tended to exclude or marginalise alternative perspectives. Particularly significant for our purposes is the study conducted by the Glasgow University Media Group in the mid-1970s which found not only that the BBC (along with ITN) news favoured certain individuals and institutions by giving them more time and status, but that it routinely blamed workers and trade unions for Britain’s economic problems, marginalising other explanations even ‘in the face of contradictory evidence’.<sup>118</sup> Several decades later, in 2006, the BBC Trust set up an inquiry into the Corporation’s business and economics output, which noted the absence of ‘the union and employee perspective’ from the BBC’s extensive coverage.<sup>119</sup> Whilst the content analysis commissioned for that inquiry did not examine the

prevalence of different perspectives on the economy, a subsequent study undertaken by Cardiff University on behalf of the BBC Trust found that in 2007, business representatives were more than five times more prevalent than representatives of labour, and that by 2012 the former outnumbered the latter almost twenty times.<sup>120</sup> Mike Berry, one of the authors of that study, also conducted a content analysis of BBC Radio 4's flagship news and current affairs programme *Today*, which found that during six weeks of the 2008 financial crisis, representatives from financial services made up the single largest group of sources, 35.1% of all 'source appearances', whilst organised labour made up only 0.4%.<sup>121</sup>

There are some important differences in the patterns of reporting between the 1970s and more recent decades, explored further in this thesis, but the relative prominence and status given to elites at the expense of non-elite groups is an enduring feature of the BBC's journalism. This is consistent with a broad body of scholarly work on media content, much of which has focused on the reporting of foreign policy. One of the most provocative studies in this area is Herman and Chomsky's *Manufacturing Consent*, best known for its theory of media performance – the 'propaganda model' – which posits the 'elite domination of the media and [the] marginalization of dissidents'.<sup>122</sup> The book, which focuses on the press coverage of US atrocities in Central America and South East Asia, received relatively little scholarly attention in the decades following its publication and has been subject to considerable vitriol, though little substantive critique. Sorlin, for example, dismisses it as 'a lampoon based on little factual evidence'.<sup>123</sup> This is a remarkable mischaracterisation of a book which consists largely of carefully researched case studies, each of which powerfully supports its central claims. Indeed, Chomsky has remarked that far from being 'based on little factual evidence', the 'propaganda model' is 'one of the best-confirmed theses in the social sciences' and has received 'no serious counter-discussion'.<sup>124</sup> Hallin's study of the media coverage of the Vietnam War – which is congruent with Chomsky and Herman's in terms of its findings, if not its theoretical model – has, by contrast, achieved something of a canonical status. Testing the notion that during the Vietnam War the media actively opposed war, Hallin finds that critical perspectives only appeared once sections of the political elite turned against the war.<sup>125</sup> Bennett's study, known for its theory of 'indexing', as well as those of Zaller and Chui and Mermin, similarly finds that press coverage overwhelmingly reflects elite opinion, only including critical perspectives in so far as they find representation within official circles.<sup>126</sup> In Britain, McQueen's examination of BBC *Panorama*'s coverage of the 2003 Iraq War finds that the BBC initially 'excluded expert and activist opinion opposed to the war', but that as 'oppositional views grew louder' began to reflect opposition from 'a variety of establishment and (to a much lesser extent) non-establishment actors'.<sup>127</sup> Another study, produced for the BBC by Lewis et al, found that the broader television coverage of the Iraq War tended to reflect pro-war assumptions and was 'informed mainly by American and British government and military sources'.<sup>128</sup> Significantly for our purposes, that particular study found that the BBC was much more reliant on government sources than all its domestic competitors and was much less likely to use independent sources or report Iraqi civilian casualties.<sup>129</sup> Another study of note is the Glasgow University Media Group's *War and Peace News*, which includes a consideration of the BBC's treatment of the issue of nuclear disarmament, as well as the Falklands/Malvinas war of 1982. On the latter, it details the systemic failures by television journalists to interrogate governmental claims and the extent to which the BBC's television output was, as BBC editors privately acknowledged, weighed in favour of the government's case.<sup>130</sup>

### **Theorising media performance**

What factors explain these patterns of reporting? Liberal accounts have little to say since they (wrongly) assume that the media operate more or less as a level playing field for competing interests. The critical or radical tradition of media scholarship, however, has produced a number of competing explanations.<sup>131</sup> As is detailed further in Chapter 2, there was considerable intellectual fervour around the question of media power during the 1970s. Radical scholars – mainly historians, sociologists and students of 'culture' – challenged liberal accounts, seeing television and the press as partisan institutions of class power performing an important legitimising function in capitalist societies. The most extensive empirical work in this period was the aforementioned Glasgow study. Other influential critics, more strongly influenced by Marxist ideas and more theoretical in their approach,

fell broadly into two camps: those associated with the Centre for Contemporary Cultural Studies (CCCS) at Birmingham University, who emphasised culture and ideology, and those associated with the Leicester Centre for Mass Communications Research and the Polytechnic of Central London, who emphasised political economy.

The Birmingham camp was strongly influenced by semiotics and the writings of the Marxist intellectuals Louis Althusser and Antonio Gramsci. It emphasised the cultural or ideological power of dominant groups in society and the privileged access they were granted by the media as 'primary definers'. Those who saw the media as being influenced by powerful groups were, it was argued, engaged in conspiracy theory. In reality, according to Connell, 'television journalism reproduce[s] accurately the way in which "public opinion" has already been formed in the primary domains of political and economic struggle'.<sup>132</sup> It was, according to this school, 'in politics and the State, not in the media, that power is *skewed*'.<sup>133</sup> This analysis begs the question of *why* this 'structure in dominance' is routinely reproduced by broadcasters, and to what extent broadcasters are free from politics and the state. Hall and his collaborators answer that broadcasting is '*both* autonomous and dependent, or to put this another way, it is *relatively autonomous* of the State.'<sup>134</sup> Whilst emphasising 'relative autonomy', they nevertheless insisted that 'the media come in fact, in the "last instance", to reproduce the definitions of the powerful, without being, in a simple sense, in their pay'.<sup>135</sup> This is ambiguous to say the least, replicating the weaknesses of the structural Marxism framework that the Birmingham school adopted. Schlesinger, who with Tumbler later proposed a less obscure account of media source relations,<sup>136</sup> notes that for the Birmingham school, 'official sources' access to the media is assumed to be guaranteed without further ado'.<sup>137</sup>

Another camp in radical media scholarship that emerged in the 1970s was associated with the Leicester Centre for Mass Communications Research and the Polytechnic of Central London. It placed greater emphasis on political economy, pointing to the centrality of the market and especially to 'patterns of ownership and control of media industries'.<sup>138</sup> Whilst insisting that they were not advocating 'a thesis of bald economic determinism', Murdock and Golding advocated focusing on the 'economic base' as the fundamental determinant of media performance since 'material resources and their changing distribution are ultimately the most powerful of the many levers operating in cultural production.' The BBC, they argued, was not immune from economic forces since it competes with capitalist enterprises and is thus forced to 'behave according to the dictates of cost-effectiveness' and act 'as though it were itself a commercial undertaking'.<sup>139</sup>

Herman and Chomsky's more precise political economy model, which has been taken up in earnest in the UK by the campaigning outfit Medialens,<sup>140</sup> points to structural factors which 'filter' news content, namely: (1) the size, ownership and profit orientation of the mass media (2) the media's dependence on advertising as the major source of revenue (3) the dependence on elite sources for information (4) 'flak' from powerful actors and (5) the ideology of anti-communism.<sup>141</sup> So powerful are these filters, Herman and Chomsky argue, that 'media news people, frequently operating with complete integrity and goodwill, are able to convince themselves that they choose and interpret the news "objectively" and on the basis of professional news values.'<sup>142</sup> Hallin criticises Herman and Chomsky for this dismissal of professional ideology, which he claims is 'central to understanding how the media operate'.<sup>143</sup> His 'indexing' approach, also associated with Bennett and others, has some affinity with the Birmingham school theory outlined above, in that it sees the media as essentially representing the strength of opinion within political circles. Professionalism and source relations is also centre stage in Eldridge's summation of the Glasgow Media Group's theoretical model. Eldridge points to the 'strong dependence on official sources' which 'result[s] in tight limits on the amount of dissent that can take place outside those parameters especially in a time of crisis...'<sup>144</sup> Schlesinger also criticises Herman and Chomsky's political economy approach as 'a highly deterministic vision of how the media operate' which tends 'to stress the tendency towards virtual closure of the US national media system... in the service of the powerful'.<sup>145</sup> This tallies with the emphasis placed by the Glasgow Group on television as 'the site of considerable cultural and political struggle' and the Group's insistence that journalists 'may be constrained by powerful forces but they are not totally determined by them'.<sup>146</sup>

In summary, whilst there is broad agreement on the question of content, scholars differ as to whether such patterns should be attributed to political economy, source relations or professional ideology, to what extent journalists should be understood as autonomous actors, and how far the media should be understood as a closed system, or a site of struggle and contestation. Such differences cannot be resolved by reference to content alone but either by comparative studies or the empirical investigation of media organisations. In the latter category there are several ethnographic studies of the BBC which serve as important counterparts to studies referred to thus far. Burns undertook two periods of fieldwork, the first in the early 1960s and the second in 1973, and conducted some 300 in-depth interviews.<sup>147</sup> He details the BBC's administrative structure, its hierarchies and divisions of labour and the professional commitments of its staff. His account of a growing and increasingly rationalised organisation detached from its institutional purposes evokes Weber's writings on bureaucracy, and the changes he describes in some ways prefigure the structural reorganisation at the BBC in the 1990s, explored here in Chapter 5. He argues that while the BBC 'has not been the voice of Government, it has had to speak in ways acceptable, ultimately, to the political Establishment.'<sup>148</sup> He sees the BBC as a Quango – a quasi-independent body created to act independently but expected to act 'in conformity with Government purposes' and kept under 'essential instrument[s] of control'.<sup>149</sup> As for journalistic autonomy *within* the BBC, Burns notes that organisational control is exerted through internal policy publications, the practice of 'referring up' controversial matters, the selection and promotion of staff which acts as a 'sanctioning process', and finally through the direct control exercised over producers and contributors by programme presenters.<sup>150</sup>

A similar picture of quasi-independence emerges from Schlesinger's study, *Putting Reality Together*, based on three periods of direct observation of BBC news rooms carried out in the early to mid-1970s and around 120 interviews.<sup>151</sup> Amongst his research questions were:

How does a vast organization such as the BBC manage to control the way in which its newsmen produce stories? And are those newsmen really as free from control as they think?

Is the BBC's news really 'impartial'? And can it realistically claim that it is, in view of its position in British society and its relationship with the state?<sup>152</sup>

Roger Bolton, who was twice fired from the BBC over his coverage of Northern Ireland, has remarked that the BBC 'either is independent, or it isn't'.<sup>153</sup> Schlesinger argues that on the contrary 'it is simplistic to argue that it is either entirely independent, or, alternatively, a straightforwardly subordinate apparatus of the state.'<sup>154</sup> He found BBC journalists to be 'a mass of conformists' who adopted 'the model of corporate professionalism provided for them by the BBC by degrees varying from unreflecting acquiescence to the most full-blown commitment.'<sup>155</sup> According to Schlesinger, BBC journalists 'see themselves as working in a system which offers them a high measure of autonomy' and are generally not cognisant of the fact that 'orientations first defined at the top of the [BBC] hierarchy' work their way downwards through a 'chain of editorial command' becoming 'part of the taken for granted assumptions of those working in the newsrooms.'<sup>156</sup> What is particularly significant for our purposes here is the insight that professional values are shaped by internal bureaucratic politics, which we might add is strongly shaped by formal politics.

The influence of the politically appointed hierarchy on BBC journalism is affirmed by Georgina Born's accomplished, if somewhat unfocused, study. BBC journalism, Born suggests, has in general given 'insufficient... space to alternative and oppositional voices' and has encouraged charges of elitism by its 'adherence to political, social and professional elites for information and expertise' and its 'habit of drawing journalists from elite social and educational backgrounds',<sup>157</sup> but in the 1990s news was 'thoroughly centralised' and current affairs was emasculated through the introduction of vertical controls and the vetting of scripts, taking on 'an inhibited intellectual tone'.<sup>158</sup>

## Theory and methods

The original research plan for this thesis was to examine the BBC's relationship with elite groups during periods of crisis; acknowledging that, as Born notes, 'impartiality' has been abandoned by the BBC when it runs 'counter to what the government defined, usually at times of crisis, as the national

interest.<sup>159</sup> This approach, however, was subsequently abandoned in favour of one more attentive to gradual processes of institutional change. This was partly an adaptation to the space available for a new study; periods of crises are already well covered in the literature and this is the reason for the conspicuous absence here of any detailed account of the conflicts between the Thatcher government and the BBC, for example. But it was also an attempt to avoid a major shortcoming in much of the literature on broadcasting and power, namely the tendency to focus on interventions by powerful actors without due attention to their long term institutional impact. Underlying this is a liberal conception of human freedom which, as Quentin Skinner has detailed, has tended to be construed in terms of the ‘absence of impediments rather than [the] absence of dependence’,<sup>160</sup> meaning only the arbitrary restriction of an individual’s freedom of action is seen to limit their liberty. Thus in accounts of the media informed, knowingly or not, by such a perspective, there is a tendency to see journalists as free agents whose activities are only occasionally constrained by overt interventions or pressure from, or on behalf of, outside groups. This is perhaps most prevalent in the legion of journalistic accounts for the obvious reason that it accords most closely with their professional ideology and buttresses the boundaries of their profession against the principal threats to their practical autonomy. But the liberal assumptions about agency implicit in such accounts are also present in much scholarly work; hardly surprising given that the ideology of professional journalism, with its roots in the notion of the ‘free press’, is connected with far deeper assumptions about the functioning of capitalist societies.

This thesis follows sociological studies and the more penetrating historical accounts in acknowledging the powerful, and not always overt, influence of the state over the shape of broadcasting.<sup>161</sup> But perhaps more importantly it acknowledges the *enduring* impact that private interests – often acting in concert with political elites – have on broadcasting. Evidence of this can be seen at the very beginnings of the BBC. Scannell and Cardiff note that as the BBC came under attack from politicians and the right-wing press in the 1930s, staff came ‘to learn the rules, to recognize what goes and what does not, to accept the limits of the possible...’<sup>162</sup> Staff, in other words, strategically adapted to their ultimate dependence on political elites, as well as to pressure from private interest groups. These two forces have together shaped the institutional context within broadcasters carry out their work, and within which journalistic values such as balance, impartiality, and so on, have been developed, normalised and elevated to the level of professional norms, even morals. Accepting that this process of institutionalisation and inculcation takes place means that research should examine not just overt interventions preventing or discouraging journalists from pursuing certain actions, as is commonplace, but also the more subtle ways in which power has shaped values and practices. This means an examination not only of moments of crisis, but also more subtle factors such as funding regimes, resource allocations, normalised hierarchies of control, divisions of labour, and so on.

Accounts of the media which are rooted in political economy and tend to be more attentive to such factors have been limited in different ways by the theoretical framework they adopt. In particular they tend to conceptualise power in narrowly economic terms, making them especially inadequate for the analysis of public service broadcasting. We have seen, for example, how Murdock and Golding’s classic statement of the political economy approach suggests that ‘cultural production’ at the BBC should be understood as shaped by competition with the private sector, thus subjecting it to the same economic forces which are said to shape capitalist cultural production.<sup>163</sup> In a subsequent development of their ‘critical political economy’ approach, Golding and Murdock further distance themselves from the determinism they see in both instrumentalist and structuralist accounts and attempt to integrate the ‘cultural studies’ approach into their own theoretical framework.<sup>164</sup>

Instead of holding on to Marx’s notion of determination in the last instance, with its implication that everything can eventually be related directly to economic forces, we can follow Stuart Hall in seeing determination as operating in the *first* instance. That is to say we can think of economic dynamics as defining the key features of the general environment within which communicative activity takes place, but not as a complete explanation of the nature of that activity.<sup>165</sup>

In the first instance, this seems like a sensible theoretical move away from the economism of Golding and Murdock’s initial position. But in the last instance, what more does it tell us about how power

impacts upon communicative activity? Golding and Murdock maintain that the context within which communication takes place is primarily 'economic', and must be analysed as such, yet at the same time they concede that communicative activity itself cannot be fully explained by, or reduced to, such factors. Why then privilege the 'economic' in the first instance if it cannot account for communicative activity in the last? Williams observes that Marxist accounts of media and communication have tended to see power as lying with 'the production of commodities, or more general "market" production', and communication as 'a second-order or second-stage process, entered into only *after* the decisive productive and social-material relationships have been established.'<sup>166</sup> Both these tendencies seem to be present in Golding and Murdock's original formulation, as well as their subsequent revision. They argue in the latter that 'particular micro contexts are shaped by general economic dynamics and the wider structures they sustain', whilst in a concession to their former sparring partners in Cultural Studies they essentially advocate tagging on a relatively autonomous cultural superstructure to their privileged political-economic base.<sup>167</sup> The result is a formulation which, whilst attentive to some of the social forces often neglected in liberal accounts, remains vague and ultimately too tied to a structuralist approach, construing the notion of the material, or the economic, too narrowly. 'Culture' does not operate independently of the 'material' world, but neither is there a determinant political-economy to which all communicative activities can be reduced either in the first or last instance. A more fruitful starting point is to acknowledge that all cultural or intellectual production and communication occurs in 'particular micro contexts', and to examine what social forces have shaped that context, whether conventionally defined as 'political', 'economic' or 'cultural'. As Williams suggested: 'we have to revalue "the base" away from the notion of a fixed economic or technological abstraction, and towards the specific activities of men in real social and economic relationships...'<sup>168</sup>

Whilst Golding and Murdock note the increasing political control exercised over broadcasting during the 1980s,<sup>169</sup> their overall theoretical framework, which emphasises the 'commodification of communicative activity',<sup>170</sup> leaves little room for an examination of the forces – overt and more subtle – which shape journalistic production in a publicly funded organisation like the BBC. Researching the impact of power on such an organisation requires a sociological imagination attentive not just to the narrowly economic, or the overtly political, but also to the mundane and the bureaucratic, to the influence of particular personalities, political networks and collectives, external pressures and, as Golding and Murdock emphasise, internal conflicts and contestation. One need not accept all the Foucauldian assumptions about agency and the primacy of discourse to agree with governmentality scholars Miller and Rose that understanding power

requires an investigation not merely of grand political schemata... but [also] of apparently humble and mundane mechanisms which appear to make it possible to govern: techniques of notation, computation and calculation; procedures of examination and assessment; the invention of devices such as surveys and presentational forms such as tables; the standardization of systems for training and the inculcation of habits; the inauguration of professional specialism and vocabularies; building design and architectural forms...<sup>171</sup>

These are modes of control which prevail in modern bureaucracies, and they are as much instruments of elite power as the 'economic' modes of control prevailing in markets which preoccupy most radical critics of the media.

In theoretical terms, the closest antecedent to the approach adopted here is probably Nieminen's unjustly neglected collection of review essays, which, through an engagement with Scannell and Cardiff, Habermas, E.P. Thompson and Raymond Williams, analyses the early history of broadcasting from a Gramscian perspective.<sup>172</sup> But whilst Nieminen's focus is on the coalition of social forces that influenced the development of public service broadcasting in the 20<sup>th</sup> century, and the contemporary shift in the configuration of elites, the focus here is on the reconfiguration of elite power in Britain in the late 20<sup>th</sup> century. Some readers will perhaps detect a Gramscian influence here, but a stronger theoretical affinity is with the state theory of Miliband and Poulantzas; antagonists in a classic debate over the nature of the capitalist state, in which Miliband is said to have taken an instrumentalist, and Poulantzas a structuralist, position. In *The State in Capitalist Society*, Miliband argues that the

assumption in classical Marxism that the state is an instrument of the dominant class ‘cannot be assumed in the political conditions which are typical of advanced capitalism’,<sup>173</sup> but should be the subject of empirical and historical investigation. Influenced by the elite theory, Miliband provides a detailed account of the networks, cultural affinities and inter-personal connections which tie the state elite to the capitalist class. His emphasis on human agency was attacked by Poulantzas who, influenced by Althusser, rejected the notion that ‘the State is itself reducible to inter-personal relations of “individuals” composing social groups and “individuals” composing the State apparatus.’<sup>174</sup> Poulantzas rejected the possibility of human agency, conceiving of individuals, which are foremost in Miliband’s analysis, as products, or effects, of structure. Miliband in turn attacked Poulantzas for ‘turn[ing] those who run the state into the merest functionaries and executants of policies imposed upon them by “the system”’.<sup>175</sup> We find in this debate a classic dichotomy between methodological individualism and structural determinism, but if one looks past the polemic and caricature, the approaches can be reconciled. As Domhoff and Barrow have pointed out, Miliband clearly emphasised ‘structural’ factors which influence state action, as well as social factors which shape the perspectives of individual state managers.<sup>176</sup> As for Poulantzas, whilst holding to his critique of instrumentalist theories, he recanted his radical structuralism in favour of a model which accords with Miliband’s dictum that the state’s pro-capitalist orientation cannot be assumed. In *State, Power, Socialism* Poulantzas argues that the state can be understood as ‘the *specific material condensation* of a relationship of forces among classes and class fractions’.<sup>177</sup> According to Poulantzas, it is not an ‘already constituted substance’, or ‘an empty site’, rather it has been shaped by previous struggles which have become ‘present in its material framework and pattern its organization’.<sup>178</sup> In Bob Jessop’s summation, ‘political class domination is inscribed,’ according to Poulantzas ‘in the material organization and institutions of the state system’.<sup>179</sup>

Poulantzas’s revised conception of the state is compatible with Miliband’s sociological examination of the interconnections and affinities of elites<sup>180</sup> and his less developed account of the impact of lobbying and economic power on state policy and structure. Both can be fruitfully combined into a framework which recognises that institutions and capacities of the state, or in our case the BBC, are the product of particular historical (class) forces, and thus not a neutral site for struggle between different social groups, but which nevertheless retains an attention to human individuals and collectives, recognising that the ‘material organization’ of the state is the product not of vague structural forces, but of collective human actions occurring through time – actions and actors which can be the subject of empirical investigation. It is this theoretical framework which underpins the current study of the BBC, which is understood here both as an institution overwhelmingly shaped by elites, a site of struggle and contestation, and a ‘material condensation’ of previous struggles for hegemony both within and without.

The approach taken here to investigate the processes just described is largely historical. C. Wright Mills remarked that ‘all sociology worthy of the name is “historical sociology”’.<sup>181</sup> True or not, in the present case it is the most appropriate method for examining how particular agents and collectives have shaped and reshaped the ‘material organization’ of the BBC. As a work of historical sociology, this study draws on archival documents and interviews, as well as accounts produced by some of the key actors. The archival material drawn on is mainly the BBC’s own records from the BBC Written Archives Centre in Caversham, although some governmental records from the National Archives were also utilised. The first part of this thesis, which examines the breakdown of social democracy in the 1970s, relies heavily on such material, in combination with other primary sources, and a small number of interviews. Since the BBC’s archival material is only made available to researchers after thirty years, such material was less readily available for the second part of the thesis, which focuses largely on the post-Thatcher period. Though archival material was obtained through the use of the Freedom of Information Act – documents which form the core of the account of administrative reform provided in Chapter 5 – Chapters 6 and 7 draw primarily on a set of 31 in-depth interviews. These in-depth interviews, and the archival materials relied upon, have been extensively quoted throughout the text. Where possible, I have allowed such evidence to ‘speak for itself’, as it were. But I have also offered analysis and reflections on my findings, as well as providing broader context throughout. In so doing, I have included original macrosociological research – meaning occasional diversions into political economy and social and intellectual history – as well as drawing on existing scholarly studies,

analyses and theoretical insights. Further details on the methods used in this study are including in an appendix.

### **The question of media power**

Underlying this thesis is an assumption that the structure and culture of the BBC – a widely respected sources of news and commentary – has a broader impact on the distribution of power in British society. It is necessary therefore, before we proceed, to deal briefly with the question of media power.

Scannell's forceful defence of public service broadcasting surveyed above is advanced in opposition to what he takes to be 'the dominant educational ideology' in Britain, namely that 'the media are manipulative, [and] audiences are beguiled against their better interests'.<sup>182</sup> He cites only the work of the CCCS, but his polemic is presumably directed against the gamut of radical media scholarship which emerged during the 1970s and which, as is further detailed in Chapter 2, took the question of how unequal social relations are legitimised as its starting point. If such an approach was ever 'the dominant educational ideology' in Britain, then it is no longer. As has been extensively detailed elsewhere, radical scholarship on the media went into decline in the 1980s. Its failure to demonstrate that media content shapes the beliefs of audiences had been anticipated by its culturalist wing in its work on the contestation of meaning in media 'texts'. This subsequently formed the basis of a move away from its radical roots via 'reception studies' and various strains of post-structuralism. The Marxian assumption that dominant ideas are imposed on subordinate groups was also the subject of a forceful critique by Abercrombie, Hill, and Turner, arguing that whilst there is indeed a 'dominant ideology', it is more operative on the dominant, rather than subordinate, classes and that it is not necessary to shape the consciousness of the latter in order to maintain the dominance of the former.<sup>183</sup>

In light of the above, Davis suggests moving 'away from media-centred investigations of power that seek to document the political, economic and cultural means by which media is shaped to further advantage those in power', suggesting that researchers instead examine the role that media and communications play at 'specific sites of economic and politico-legal power'.<sup>184</sup> From such a perspective it can be argued that even if the media has no direct impact on the beliefs of audiences, they remains significant for their influence on elites and their role in insulating elite ideas and practices from public contestation.<sup>185</sup> This sidesteps some of the problematic assumptions of the 'elite-media-mass paradigm',<sup>186</sup> and Davis's work is certainly valuable for introducing a rigorous sociology of elites to media and cultural studies. It leaves us, however, with a very limited conception of media power. Davis's suggested focus on the part played by the media in the beliefs and actions of the powerful only raises the question of why we should privilege the study of the media at all. The answer, and one which seems implicit in Davis's case studies, if not his theorising, is that the media don't merely influence elite 'cultures, beliefs, discourses, practices and processes',<sup>187</sup> but also more actively shape the 'wider social impact' of such 'localised or networked actions and decision-making'.<sup>188</sup> Crucially though, such influence need not be conceptualised in terms of the dissemination of a totalistic ideology, which in any case assumes an inordinate level of knowledge amongst elites, as well as consensus, as to what is most 'functional' for their social reproduction. Instead, we can dispense with such grand assumptions and conceive of ideas as being disseminated via the media, and other channels, in the pursuit of short or long term goals, whether as a means of building coalitions by consent, or securing compliance or acquiescence through more coercive forms of communication. Thus, the media, along with other means of communication, can be understood as playing an active role in both the constitution of elites and in their exercise of power. This avoids some of the limitations of functionalist perspectives, allowing, for example, for attention to intra-elite competition and collaboration, whilst still acknowledging that ideas and their dissemination through the media have a significant social impact. In his study of how individuals from different social groups responded to television coverage of the 1984-5 miners' strike, Philo found that people of all social classes contested to different degrees the overwhelming focus on picket line violence, for example.<sup>189</sup> This contestation, Philo notes, involved not the imposition of a preferred meaning onto the media 'text', but rather an understanding, and rejection, of media messages. The study nevertheless found that reporting strongly influenced perceptions of the strike; 54% of participants believed that picketing was mostly violent, and media was overwhelmingly cited as the source of this belief. Moreover, the shape of the coverage appears to have had a powerful impact on even those who were sympathetic to



the miners and sceptical of the focus of reporting.<sup>190</sup> In terms of audience reception or media effects then, we can accept the 'active audience' thesis, whilst maintaining that media messages 'can strongly influence perceptions about events and actions in the world, and questions of causation and blame.'<sup>191</sup> Kitzinger's study of television coverage of HIV/AIDS and Miller's study of media and propaganda in Northern Ireland reach similar conclusions about media power, as do Fenton et al in their study of the representation of social science in the UK media.<sup>192</sup>

Importantly, this understanding of media effects also leaves open the possibility that people, whether powerful or not, may hold, and communicate, ideas that are simply not congruent with reality. This is significant, for whilst public opinion data offers a wealth of evidence that people can and do contest key elements of what we might still term the 'dominant ideology', a subject explored in Chapter 7, it is also clear that 'false ideas', if not necessarily 'false consciousness', remains a social fact, and one which should not be ignored by responsible social scientists. In June 2013, for example, the polling agency Ipsos MORI published a survey publicised under the headline, 'Perceptions are not reality'. Respondents overestimated the rate of teenage pregnancy in Britain by 25 times the official estimates, and fraudulent social security claims by as much as 34 times. The proportions of Muslims and immigrants were also hugely overestimated.<sup>193</sup> The fact that people have inaccurate ideas about society, and the possibility that these ideas may be related to messages disseminated through the media (as well as other channels), was too hastily abandoned by many scholars in their rush to champion popular common sense, or embrace essentially idealist post-structuralist theories, as the wave of radical media scholarship crashed and rolled back. Challenging such complacency requires a rigorous, empirical approach to the study of media and communications, which acknowledges that people under some circumstances accept false or misleading ideas received via the media, but that they will also contest media messages on the basis of experiences, alternative sources of information and their own skills of evaluation and analysis.

A functional democracy requires media which provides accurate information on public life, thus assisting in the formation of functional publics. Curran argues that one significant role the media *should* play in a democratic society is to 'assist social groups to constitute themselves and clarify their objectives'. The interest of particular social groups, he notes, are 'not something that springs pre-formed into people's consciousness as a consequence of their social circumstances. It needs to be explored through internal group processes of debate.'<sup>194</sup> Notably, Lukes reaches a similar conclusion in his thorough and public spirited exploration of the concept of power.<sup>195</sup> Publics of course can be constituted by other communicative processes, and the mass media are by no means the only channel available. But they remains highly significant because of their substantial reach and quasi-official role as an arena for political debate and contestation. The importance of the BBC as an independent object of study, meanwhile, lies in the fact that, as has been argued above, it is not a neutral space, but a 'site of power' which has itself been shaped and reshaped by social struggles, a process which in turn impacts on the wider distribution of power in society.

## Chapters outline

The remainder of this thesis is divided into two parts. Part I focuses on the breakdown of social democracy in the 1970s. Chapter 2 shows how the BBC's authority and legitimacy was increasingly contested during this period as it came under pressure from radical scholarship and a range of egalitarian social forces, as well as conservative moralists and some elites. It details how, faced with such criticisms, the priority of the BBC leadership was first and foremost to defend the broadcasting *status quo* and preserve the Corporation's relative autonomy from the public. Chapter 3 details the BBC's relationship with the government during the 1970s, as well as the internal politics of the Corporation during the same period. It describes how changes in senior personnel, institutional restructuring, and particularly increased financial pressure, reduced the freedom of BBC programme makers, containing the influence of the political radicalism and workers' activism that characterised this period. Chapter 4 provides a detailed account of the BBC's journalism and editorial policies in the run up to the wave of industrial actions known as the 'Winter of Discontent', an event which marked the shift towards neoliberalism in the UK. It notes, in particular, the invisibility of business and managerial power and the influence of the private press on the BBC, and argues that the overall picture is one of a media elite which refused to depart from, or for the most part even seriously

question, long standing editorial conventions and professional norms. This, it maintains, left a vacuum in the BBC's reporting of events which the New Right<sup>196</sup> were able to skilfully exploit.

The thesis does not deal directly with the BBC's fraught relationship with the Thatcher government and the changes to broadcasting policy introduced during the 1980s, which has already been the subject of extensive scholarship and journalistic attention.<sup>197</sup> Rather it proceeds, in Part II, to detail the process of change which the BBC underwent in the wake of Thatcherism. Chapter 5 describes the highly unpopular organisational reforms introduced under the leadership of John Birt and argues that they represented an institutionalisation at the BBC of the new neoliberal consensus. Chapters 6 and 7 together then provide a detailed account of the growth of economics and business journalism at the BBC from the 1970s up to the 2000s. It is argued that a series of top-down pro-business initiatives by the BBC leadership, combined with more subtle forces, shifted BBC journalism in a more business friendly direction, marginalising alternative perspectives on the economy, and helping to legitimise the increased power of corporations over society.

### A brief note

To conclude this chapter, a brief note is in order concerning the normative commitments which underline this study, which is a work of committed scholarship and public sociology.<sup>198</sup> Max Weber remarked that: 'All knowledge of cultural reality, as may be seen, is always knowledge from particular points of view.'<sup>199</sup> Every 'investigator', he argued, necessarily makes evaluative judgements about what is interesting and relevant, without which 'there would be no principle of selection of subject-matter and no meaningful knowledge of the concrete reality.'<sup>200</sup> Moreover, 'the construction of the conceptual scheme which will be used in the investigation' is inevitably 'determined by the evaluative ideas which dominate the investigator and his age' and 'the direction of his personal belief, the refraction of values in the prism of his mind, gives direction to his work'.<sup>201</sup> In Christopher Bryant's succinct summation, according to Weber, 'there can be no universally valid questions, only universally valid answers to subjectively chosen questions'.<sup>202</sup> No doubt most readers will reject some of the analysis offered here, and some most or all of it. All criticisms are welcome and every effort has been made to present my findings in a way that will allow readers to question the conclusions I draw on the basis of the evidence, rather than the radical democratic and egalitarian commitments which, in case they were not plain from the outset, I now openly declare do indeed refract in the prism of my mind.

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<sup>1</sup> The term 'elite', Scott writes, has been used too 'indiscriminately' by sociologists, becoming 'one of the most general – and, therefore, one of the most meaningless – terms used in descriptive studies.' (John Scott, 'Modes of power and the re-conceptualization of elites,' *The Sociological Review* 56, Issue Supplement s1 (2008): 27) Whilst the term has been used to describe any relatively privileged or accomplished group or subset, Scott argues that for a group to 'constitute an elite in any sociologically meaningful sense', it must occupy a position of significant power (*Ibid*, 28). Elites, he has written elsewhere, 'are social groups defined by hierarchies of authoritarian power' (John Scott, 'Transformations in the British Economic Elite,' *Comparative Sociology* 2 no.1 (2003): 155.), and it is in this limited sense that the term is employed here. It should be noted that for Scott, the extent to which elites in different institutions share particular backgrounds and perspectives, and act with unity and common purpose, is an empirical question. But in the 'fullest sense,' he has noted, an elite 'is a social grouping whose members occupy similarly advantaged command situations in the social distribution of authority and who are linked to one another through demographic processes of circulation and interaction. (*Ibid*, 157) The shared backgrounds, perspectives and interconnections of British elites is the subject of Miliband's 1969 study, which describes the patterns of recruitment to, and circulation, between 'the command posts' of British society. (Ralph Miliband, *The State in Capitalist Society: The Analysis of the Western System of Power* (London: Quartet, 1973), 37) In Britain, as in other 'advanced capitalist countries', Miliband notes, the population is 'governed, judged, and commanded in war by people drawn from other, economically and socially superior and relatively distant classes.' (*Ibid*, 62) Scott, who like Miliband was most concerned with relations

between capitalists and state actors, concludes that those who occupy positions of authority in state institutions in Britain are strongly rooted in an enduring coalition of social forces – a ‘power bloc’ dominated by the capitalist class – and are bound together by ‘frequent informal and formal interaction’ and ‘relatively uniform pattern[s] of socialization. (John Scott, *Who Rules Britain?* (Oxford: Polity Press, 1991), 143) (For an official and more contemporary account of the shared *educational* background of the British elite, including the leadership of the BBC see Social Mobility and Child Poverty Commission, *Elitist Britain* (London: Social Mobility and Child Poverty Commission, 2014). Whilst Miliband and Scott adopts state-centric approaches, the term elite is also used in this thesis to refer to those occupying positions of authority in powerful non-state institutions, principally media organisations and business corporations. In that sense, the working definition here is close to that advanced by Giddens, who defines an elite of a society as those who occupy positions of authority within ‘salient institutions’. (Anthony Giddens, *Capitalism and Modern Social Theory* (Cambridge: Cambridge University Press, 1971), 36)

<sup>2</sup> Bertrand Russell remarked that power is ‘the fundamental concept in social science...in the same sense in which Energy is the fundamental concept in physics.’ (Bertrand Russell, *Power: A New Social Analysis* (London and New York: Routledge, 2004), 3) A number of social scientists have questioned the usefulness of the concept, however. One of the most sophisticated and provocative amongst the concept’s critics is the French sociologist-philosopher, Bruno Latour, who in a highly cited article describes power as a ‘pliable and empty term’. (Bruno Latour, ‘The Powers of Association,’ in *Power Action and Belief: A New Sociology of Knowledge?*, Sociological Review Monograph, ed. John Law (London: Routledge, 1986), 266) Contrary to many sociological definitions and popular understandings, power, he notes, ‘is not something you may possess and hoard’, since it can only be evidenced in its effects. But neither can it strictly speaking be exercised by those said to possess it, since it always depends on the actions of others. The term, he reasons, may therefore ‘be used as a convenient way to *summarise* the consequences of a collective action, [but] it cannot also explain what holds the collective action in place.’ (*Ibid*, 265) To refer to a military leader as ‘powerful’, for example, may *describe* the fact that they head a particularly formidable army, but it does not *explain* why members of that army follow that leader’s commands.

In philosophical terms this seems correct, but as a starting point for all social scientific research it is inadequate, even complacent. Is it true to claim that power cannot be hoarded? Ultimately yes, but practically speaking, no. I can hoard money, for example, which in British society would afford me considerable opportunities in comparison with those with less of it. But for Latour this would simply raise the question of why others tend to accept the value of the sterling I have hoarded in exchange for certain actions I wish them to perform, or objects I wish them to provide me. Money is power in British society, but should we not ask why is this the case? This is an important and fascinating question which requires the examination of a whole host of historical and institutional factors. But there is no obvious reason why a researcher should not leave it unexamined for the purpose of pursuing other sociological investigations.

Power may be ‘pliable and empty’ as an *explanatory* category, and, as Foucault also argued, it is indeed useful to consider it a *relational*, rather than as a substance or thing an individual possesses. But if we are to build up a body of social scientific knowledge about contemporary societies – especially those characterised by high levels of inequalities – power remains an indispensable descriptive term; a ‘shorthand’ to indicate an individual’s association with other individuals, collectives and institutions, as well as the relative advantages this brings *vis-à-vis* other social actors.

In making explicit the implicit claim being made in this study when an individual or collective – a business executive, or big business as a group, for example – are described as ‘powerful’, I see no reason to depart from Weber’s classic sociological definition of power as ‘the chance of a man or a number of men to realise their own will in a communal action’ (Quoted in Katharine Betts, ‘The conditions of action, power and the problem of interests,’ *The Sociological Review* 34 no.1 (1986): 50), except to note the obvious sexism. In terms of the scope of this definition, it should be noted that it need not be limited to the sphere of formal politics, nor applied only to open conflicts. A whole range of factors, including those almost universally taken for granted, may influence the probability of

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certain outcomes, and as Lukes has influentially argued, ‘power’ is a term that can legitimately be used to describe the capacity to keep certain issues off the agenda, so to speak, or to influence the perceptions of others. There is no room here to add anything much to Luke’s detailed discussion of the concept of power, or the number of other substantive treatments of the concept. I do, however, think that Little is right to note that ‘Lukes comes closer to offering a semantic analysis of the use of the term “power” rather than offering a sociological analysis of the causal and structural reality’ (Daniel Little, ‘Lukes on Power,’ *Understanding Society*, 14 October 2010, accessed 24 April 2015, <http://understandingsociety.blogspot.co.uk/2010/10/luke-on-power.html>). It is the sociological analysis of structural power which most concerns us here. In that respect it may be useful to note that this study is not *directly* concerned with the probability of certain individuals or collectives prevailing in situations of conflict, but with the capacity for individuals and collectives to transform institutions and structures in a manner which alters the distribution of social power.

<sup>3</sup> ‘HBOS and RBS were near collapse’, BBC News Online, 22 December 2008, accessed 27 December 2014, <http://news.bbc.co.uk/1/hi/business/7796329.stm>.

<sup>4</sup> ‘Northern Rock gets bank bail out’, BBC News Online 13 September 2007, accessed 27 December 2014, <http://news.bbc.co.uk/1/hi/business/6994099.stm?ref=patrick.net>.

<sup>5</sup> ‘UK banks receive £37bn bail-out’, BBC News Online, 13 October 2008, accessed 27 December 2014, <http://news.bbc.co.uk/1/hi/7666570.stm>.

<sup>6</sup> For an account and critique of the ‘efficient-market hypothesis’ and its influence on financial markets see, for example, Justin Fox, *The Myth of the Rational Market: A History of Risk, Reward, and Delusion on Wall Street* (New York: HarperCollins, 2009).

<sup>7</sup> National Audit Office, Taxpayer support for UK banks: FAQs, <http://www.nao.org.uk/highlights/taxpayer-support-for-uk-banks-faqs/>.

<sup>8</sup> Bank of England, Quarterly Bulletin 2012 Q3, Volume 52 No. 3, 186, accessed 27 December 2014, <http://www.bankofengland.co.uk/publications/documents/quarterlybulletin/qb1203.pdf>

<sup>9</sup> The term ‘ideology’ is used in this thesis mainly to refer to the ideology of neoliberalism and the occupational ideology of BBC journalists. Eagleton notes that there is no ‘single adequate definition of ideology’ and that the term has ‘a whole range of useful meanings, not all of which are compatible with each other.’ He identifies a host of definitions in circulation: (a) the process of production of meanings, signs and values in social life; (b) a body of ideas characteristic of a particular social group or class; (c) ideas which help to legitimate a dominant political power; (d) false ideas which help to legitimate a dominant political power; (e) systematically distorted communication; (f) that which offers a position for a subject; (g) forms of thought motivated by social interests; (h) identity thinking; (i) socially necessary illusion; (j) the conjuncture of discourse and power; (k) the medium in which conscious social actors make sense of their world; (l) action-oriented sets of beliefs; (m) the confusion of linguistic and phenomenal reality, (n) semiotic closure; (o) the indispensable medium in which individuals live out their relations to a social structure; (p) the process whereby social life is converted to a natural reality. (Terry Eagleton, *Ideology: An Introduction* (London: Verso, 1991), 1-2)

The sense in which the term is used here is closest to (b), (k) and (l), albeit with the important proviso regarding (k) that conscious social actors also make sense of their world through experiences. A composite definition, then, is as follows: a set of action-orientated beliefs and values characterising a particular group which help them to make sense of the world and their place in it and to guide, inform and justify their actions. Whilst such ideas and beliefs are not assumed to be straightforward or immutable products of a group or class’s location in the ‘social structure’, and neither are they assumed to be necessarily illusory, it should be added to this that a group or class’s shared ideas and beliefs will inevitably be shaped by collective circumstances and experiences, and may well include inaccurate or illusory ideas.

<sup>10</sup> Naomi Klein, ‘Free market ideology is far from finished’, *Guardian*, 19 September 2008, accessed 27 December 2014, <http://www.theguardian.com/commentisfree/2008/sep/19/marketturmoil.usa>.

<sup>11</sup> Andrew Gamble, *The Spectre at the Feast: Capitalist Crisis and the Politics of Recession* (London: Palgrave Macmillan, 2009), 7.

<sup>12</sup> The Sunday Times Rich List 2014 found that the wealth of Britain’s 1000 richest people doubled in the five years following the crash. Its compiler, Philip Beresford, commented: ‘I’ve never seen such a

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phenomenal rise in personal wealth as the growth in the fortunes of Britain's 1,000 richest people'. (James Gillespie, 'Rich double their wealth in five years', *Sunday Times*, 18 May 2014, accessed 27 December 2014, <http://www.thesundaytimes.co.uk/sto/news/article1412257.ece>.)

<sup>13</sup> Colin Crouch, *The Strange Non-Death of Neo-Liberalism* (Cambridge: Polity, 2011), viii.

<sup>14</sup> Stephen Wilks, *The Political Power of the Business Corporation* (Cheltenham and Northampton: Edward Elgar, 2013), 111-2.

<sup>15</sup> *Ibid*, 254.

<sup>16</sup> Interview with BBC business journalist, 14 June 2013.

<sup>17</sup> Quoted in Edmund L. Andrews, 'Greenspan Concedes Error on Regulation', *New York Times*, 23 October 2008, accessed 27 December 2014, <http://www.nytimes.com/2008/10/24/business/economy/24panel.html>.

<sup>18</sup> Daniel Stedman Jones, *Masters of the Universe: Hayek, Friedman, and the Birth of Neoliberal Politics* (Princeton: Princeton University Press, 2012), 19.

<sup>19</sup> An early draft of the society's statement of aims, co-written by Hayek, committed those present to the principles of individual freedom, the competition and private property. The statement of aims that was agreed upon, however, whilst referring the threat to freedom that the decline in belief in competition and private property presented, put greater emphasised on the rule of law and the 'preservance of freedom'. See Dieter Plehwe, 'Introduction,' in *The Road From Mont Pèlerin: The Making of the Neoliberal Thought Collective*, eds. Philip Mirowski and Dieter Plehwe (Cambridge: Harvard University Press, 2009), 22-25.

<sup>20</sup> Philip Mirowski, *Never Let a Serious Crisis Go to Waste: How Neoliberalism Survived the Financial Meltdown* (London and New York: Verso, 2013), 43.

<sup>21</sup> *Ibid*. Philip Mirowski, and Dieter Plehwe, eds. *The Road from Mont Pelerin* (Cambridge: Harvard University Press, 2009).

<sup>22</sup> David Harvey, *A Brief History of Neoliberalism* (Oxford: Oxford University Press, 2005), 2.

<sup>23</sup> Dieter Plehwe, Bernhard J.A. Walpen and Gisela Neunhöffer, eds. *Neoliberal Hegemony: A Global Critique*. Routledge, 2007, i.

<sup>24</sup> Richard Cockett, *Thinking the Unthinkable: Think-tanks and the Economic Counter-revolution 1931-1983* (London: HarperCollins, 1995).

<sup>25</sup> Ben Jackson, 'The Think Tank Archipelago: Thatcherism and Neo-Liberalism,' in *Making Thatcher's Britain*, eds. Ben Jackson, Robert Saunders (Cambridge: Cambridge University Press, 2012).

<sup>26</sup> Stedman Jones, *Masters of the Universe*, 19.

<sup>27</sup> Stuart Hall, 'The Great Moving Right Show,' *Marxism Today* (January 1979): 17.

<sup>28</sup> Thomas Piketty, *Capital in the Twenty-first Century*, trans. Arthur Goldhammer (Cambridge: Harvard University Press, 2014). Andres Solimano, *Economic Elites, Crises, and Democracy: Alternatives Beyond Neoliberal Capitalism* (New York: Oxford University Press, 2014).

<sup>29</sup> Alasdair Roberts, *The Logic of Discipline: Global Capitalism and the Architecture of Government* (Oxford: Oxford University Press, 2011), 4-6.

<sup>30</sup> James Reston, 'The crisis of democracy', *New York Times*, 3 March 1974 and 29 June 1975. Quoted in

Roberts, *The Logic of Discipline*, 9-10.

<sup>31</sup> Michel Crozier, Samuel P. Huntington and Joji Watanuki, *The Crisis of Democracy: Report on the Governability of Democracies to the Trilateral Commission* (New York: New York University Press), 74, 8, 114.

<sup>32</sup> Samuel Brittan, 'The Economic Contradictions of Democracy,' *British Journal of Political Science* 5 (2) (1975): 129-59. Samuel Brittan, *The Economic Consequences of Democracy* (London: Temple Smith, 1977).

<sup>33</sup> Brittan, 'Economic Contradictions of Democracy,' 129-59. Brittan cited the writings of Schumpeter, Hayek and Friedman, the leading neoconservative Irving Kristol, as well as Kenneth Arrow, Anthony Downs and Mancur Olson – rational choice theorists who applied economic rationales to the functioning of politics. In doing so, he drew on a fairly sophisticated set of philosophical ideas and theoretical models developed by liberal and conservative intellectuals as part of an ideological struggle against 'collectivism' (a topic considered in detail in Chapter 5).

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<sup>34</sup> William E. Scheuerman, *Carl Schmitt: The End of Law* (Lanham: Rowman and Littlefield, 1999), 209-224. Richard Bellamy, 'Dethroning Politics: Liberalism, Constitutionalism and Democracy in the Thought of F. A. Hayek,' *British Journal of Political Science* 24 (1994): 419-441.

<sup>35</sup> Scheuerman, *Carl Schmitt*, 223-4.

<sup>36</sup> William Davies, *The Limits of Neoliberalism: Authority, Sovereignty and the Logic of Competition* (London: Sage, 2014), 3.

<sup>37</sup> Wolfgang Streeck, 'The Crisis in Context: Democratic Capitalism and its Contradictions,' in *Politics in the Age of Austerity*, Wolfgang Streeck, and Armin Schäfer, eds. (Cambridge: Polity, 2013), 265.

<sup>38</sup> Mark Blyth, *Great Transformations: Economic ideas and Institutional Change in the Twentieth Century* (Cambridge: Cambridge University Press, 2002). Sam Gindin and Leo Panitch, *The Making of Global Capitalism*. London and New York: Verso 2012. Harvey, *Neoliberalism*.

<sup>39</sup> Social democracy is a term which was once synonymous with democratic socialism and was used to describe the labour based political parties of Western Europe, including the UK Labour Party, which as Gindin and Panitch note, formed the 'first social-democratic majority government in a core capitalist country'. (Gindin and Panitch, *The Making of Global Capitalism*, 90-1) Here the term is used to refer to the particular regulatory or policy 'regime', against which neoliberalism defined itself. As a political-economic configuration, social democracy, or embedded liberalism, emerged in different forms in the advanced capitalist countries in the aftermath of the Great Depression, and more especially after the Second World War under the tutelage of the United States and the Bretton Woods system. As Harvey notes, these political systems shared

an acceptance that the state should focus on full employment, economic growth, and the welfare of its citizens, and that state power should be freely deployed, alongside of or, if necessary, intervening in or even substituting for market processes to achieve these ends. Fiscal and monetary policies usually dubbed 'Keynesian' were widely deployed to dampen business cycles and to ensure reasonably full employment. A 'class compromise' between capital and labour was generally advocated as the key guarantor of domestic peace and tranquillity. States actively intervened in industrial policy and moved to set standards for the social wage by constructing a variety of welfare systems (health care, education, and the like). (Harvey, *Neoliberalism*, 10-12.)

In the UK, such policies, often referred to as the post-war consensus, are closely associated with the post-war Labour Government, though as Kerr notes, they can arguably be understood in 'the context of the overall evolution in the growth of the state that had been taking place throughout the early part of the century', (Peter Kerr, *Postwar British Politics: from Conflict to Consensus* (London and New York: Routledge, 2005), 92) and seen 'as a particular stage in the overall evolution of ideas throughout the twentieth century towards a progressive form of liberalism which equated social justice and egalitarianism with increased state intervention in order to create a fairer redistribution of wealth and the elimination of poverty.' (*Ibid.*, 94) Precisely how one should periodise 'social democracy' then is contestable, since these key features said to characterise the post-war period are evident much earlier. This is not especially important for our purposes, since we are most concerned with the breakdown of this political consensus and set of institutional arrangements, and the associated augmentation of elite power. In this respect, one useful quantitative measure is the relative income share of different sections of the population. The share of income in the upper quantiles in the UK fell in the interwar period, with some fluctuations, but continuously declined from 1936 up to around 1976 when the trend was dramatically reversed. (Anthony B. Atkinson, 'The Distribution of Top Incomes in the United Kingdom 1908-2000,' in *Top Incomes over the Twentieth Century. A Contrast Between Continental European and English-Speaking Countries*, Anthony B. Atkinson and Thomas Piketty eds. (Oxford: Oxford University Press, 2007) 82-140. For a discussion see Danny Dorling, 'Fairness and the Changing Fortunes of People in Britain', *Journal of the Royal Statistical Society: Series A (Statistics in Society)*, 176 no.1 (2013): 97-118.)

The term 'neoliberalism', which is defined in more detail in the main text, like the term 'social democracy', is often used to refer to a particular set of institutional arrangements. However, whilst

one can certainly identify key policies which defined the neoliberal period, neoliberalism is primarily understood here as an elite social movement and a set of ideas – that is an ideology – which was developed and mobilised against social democracy. From such a perspective, it makes little sense to search for key typological features which might definitively identify a society at a particular point as being either social democratic or neoliberal. Capitalist societies are always in motion, and the neoliberal movement did not produce a definitive blueprint which it sought to work towards. Rather it shared a loose set of ideas, both normative and prescriptive, which have been developed and refined through social action. This sociological perspective, which recognises that ideas are developed in the process of action (including conflict), takes agency seriously, acknowledging that ideas and concepts are not the preserve of the analyst who stands above society, but are developed and mobilised by actors who like scholars develop ideas and concepts as they learn from experiences.

<sup>40</sup> Mirowski and Plehwe, *Road from Mont Pelerin*. Stedman-Jones, *Masters of the Universe*.

Solimano, *Economic Elites*, 6-19. Angus Burgin, *The Great Persuasion: reinventing free markets since the Depression* (Cambridge: Harvard University Press, 2012).

<sup>41</sup> Peter Mair, *Ruling the Void: The Hollowing of Western Democracy* (London and New York: Verso, 2013), 1, 109.

<sup>42</sup> Colin Hay, *Why We Hate Politics* (Cambridge: Polity, 2007).

<sup>43</sup> Roberts, *The Logic of Discipline*, 12.

<sup>44</sup> David Beetham, *Unelected Oligarchy: Corporate and Financial Dominance in Britain's Democracy* (London: Democracy Audit, 2011). See also Tamasin Cave and Andy Rowell, *A Quiet Word: Lobbying, Crony Capitalism and Broken Politics in Britain* (London: Bodley Head, 2014).

<sup>45</sup> Colin Crouch, *Post-democracy* (Cambridge: Polity, 2004).

<sup>46</sup> Wilks, *The Political Power of the Business Corporation*, 261, 255.

<sup>47</sup> Carl Boggs, *The End of Politics: Corporate power and the Decline of the Public Sphere* (New York: Guilford Press, 2001), 9.

<sup>48</sup> Martin Gilens, *Affluence and influence: Economic Inequality and Political Power in America* (Princeton: Princeton University Press, 2012), 1.

<sup>49</sup> *Ibid.*, 117.

<sup>50</sup> *Ibid.*, 241.

<sup>51</sup> Martin Gilens and Benjamin I. Page, 'Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens,' *Perspectives on Politics* (Forthcoming). See also Jeffrey A. Winters and Benjamin I. Page, 'Oligarchy in the United States?,' *Perspectives on politics* 7 no.4 (2009): 731-751 and Thomas Ferguson, *Golden Rule: The Investment Theory of Party Competition and the Logic of Money-Driven Political Systems* (Chicago: University of Chicago Press, 2011).

<sup>52</sup> Pablo Torija, 'Do Politicians Serve the One Percent? Evidence in OECD Countries,' *CITYPERC Working Paper Series* no.2013/04 (2013), [http://openaccess.city.ac.uk/2114/1/CITYPERC-WPS-2013\\_04.pdf](http://openaccess.city.ac.uk/2114/1/CITYPERC-WPS-2013_04.pdf). Pablo Torija, 'Servants of the 1%?: Politicians and the Economic Elite,' *New Left Project*, 23 April 2013, accessed 27 December 2014, [http://www.newleftproject.org/index.php/site/article\\_comments/servants\\_of\\_the\\_1\\_politicians\\_and\\_the\\_economic\\_elite](http://www.newleftproject.org/index.php/site/article_comments/servants_of_the_1_politicians_and_the_economic_elite).

<sup>53</sup> *Power to the People: The Report of Power: An Independent Inquiry Into Britain's Democracy* (London: Power Inquiry, 2006, 125-6.

<sup>54</sup> Colin Leys, *Market-Driven Politics: Neoliberal Democracy and the Public Interest* (London and New York: Verso, 2003), 34.

<sup>55</sup> Leys, *Market-Driven Politics*, 220.

<sup>56</sup> Nicholas Garnham, 'Public service versus the market,' in *Capitalism and Communication: Global Culture and the Economics of the Information Age*, Nicholas Garnham ed. (London: Sage, 1990), 121, quoted in Tom O'Malley, 'The decline of public service broadcasting in the UK 1979-2000,' in *No News is Bad News: Radio, Television, and the Public*, Michael Bromley ed. (Harlow: Pearson, 2001), 29.

<sup>57</sup> Leys, *Market-Driven Politics*. Harvey, *Neoliberalism*.

<sup>58</sup> Jürgen Habermas, *The Structural Transformation of the Public Sphere: An Inquiry into a Category of Bourgeois Society*, trans. Thomas Burger with Frederick Lawrence (Cambridge: Polity, 1992).

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- <sup>59</sup> Briggs, *History of Broadcasting in the United Kingdom: Volume I: The Birth of Broadcasting* (London: Oxford University Press, 1961), 123.
- <sup>60</sup> Pierre Sorlin, *Mass-media* (London: Routledge, 1994), 107.
- <sup>61</sup> Briggs, *The History of Broadcasting Volume I*, 110.
- <sup>62</sup> Tom Burns, *The BBC: Public Institution and Private World* (London and Basingstoke: MacMillan, 1977), 11.
- <sup>63</sup> Briggs, *The History of Broadcasting Volume I*, 63-4.
- <sup>64</sup> Burns, *The BBC*, 8-9.
- <sup>65</sup> Hansard, vol. 152, col. 1869, 3 April 1922. Quoted in Briggs, *The History of Broadcasting Volume I*, 68.
- <sup>66</sup> J.C.W. Reith, *Into the Wind* (London: Hodder and Stoughton: 1949), 99.
- <sup>67</sup> Asa Briggs, 'The Culture of the BBC: A Personal Appreciation,' *Revue LISA/LISA e-journal. Littératures, Histoire des Idées, Images, Sociétés du Monde Anglophone—Literature, History of Ideas, Images and Societies of the English-speaking World* (2004): para.16, accessed 27 December 2014, <http://lisa.revues.org/662>
- <sup>68</sup> Ronald Harry Coase, *British Broadcasting: A Study in Monopoly* (Abingdon and New York: Routledge, 2013), 23.
- <sup>69</sup> Paddy Scannell and David Cardiff, *A Social History of Broadcasting: Volume One 1922-1939, Serving the Nation*. (Oxford: Basil Blackwell, 1991), 6.
- <sup>70</sup> Scannell and Cardiff, *A Social History of Broadcasting*, 16.
- <sup>71</sup> J.W.C. Reith, *Broadcast Over Britain* (London: Hodder and Stoughton, 1924), 52.
- <sup>72</sup> Michael Tracey, *The Decline and Fall of Public Service Broadcasting* (Oxford: Oxford University Press: 1998), 15.
- <sup>73</sup> Georgina Born, *Uncertain Vision: Birt, Dyke and the Reinvention of the BBC* (London: Random House, 2004) 28.
- <sup>74</sup> Scannell and Cardiff, *A Social History of Broadcasting*, 7.
- <sup>75</sup> Pilkington Report, 12, para.33, quoted in Tracey, *Decline and Fall*, 23.
- <sup>76</sup> Scannell and Cardiff, *A Social History of Broadcasting*, 5.
- <sup>77</sup> Sorlin, *Mass-media*, 107.
- <sup>78</sup> Scannell and Cardiff, *A Social History of Broadcasting*, 8.
- <sup>79</sup> Paddy Scannell, 'Public Service Broadcasting and Modern Public Life,' in *Culture and Power: A Media, Culture and Society Reader* eds. Paddy Scannell, Philip Schlesinger and Colin Sparks (London: Sage, 1992), 318.
- <sup>80</sup> *Ibid.*, 318.
- <sup>81</sup> Tracey, *Decline and Fall*, 15.
- <sup>82</sup> Scannell and Cardiff, *A Social History of Broadcasting*, 4.
- <sup>83</sup> *Ibid.*, 13.
- <sup>84</sup> *Ibid.*, 17.
- <sup>85</sup> Scannell, 'Public Service Broadcasting and Modern Public Life,' 327.
- <sup>86</sup> As Briggs notes: 'It was not until January 1927 – in the first month of the New Corporation – that the BBC was given freedom to arrange early news bulletins, running-commentaries, and eye witness accounts.' (Briggs, *The History of Broadcasting Volume I*, 265.)
- <sup>87</sup> Scannell and Cardiff, *A Social History of Broadcasting*, 14. Scannell subsequently extends this argument to television also, echoing these very same claims in Scannell, 'Public Service Broadcasting and Modern Public Life,' 322.
- <sup>88</sup> Marista Leishman, *My Father. Reith of the BBC* (Edinburgh: Saint Andrew Press, 2006), 150, 2.
- <sup>89</sup> Quoted in D. L. LeMahieu, *A Culture for Democracy: Mass Communication and the Cultivated Mind in Britain between the Wars* (Oxford University Press, 1993), 147.
- <sup>90</sup> Ian McIntyre, *The Expense of Glory: Life of John Reith* (London: HarperCollins, 1995), 218.
- <sup>91</sup> Reith, *Broadcast Over Britain*, 220.
- <sup>92</sup> Paddy Scannell, 'Public Service Broadcasting: The History of Concept,' in *Understanding Television* eds. Andrew Goodwin and Garry Whannel (London and New York: Routledge, 2005), 14.
- <sup>93</sup> Scannell and Cardiff, *A Social History of Broadcasting*, 9.
- <sup>94</sup> *Ibid.*, 13.



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- <sup>95</sup> Scannell, 'Public Service Broadcasting and Modern Public Life,' 335.
- <sup>96</sup> *Ibid.*, 344.
- <sup>97</sup> *Ibid.*, 345-6.
- <sup>98</sup> Briggs, *The History of Broadcasting Volume I*. Hannu Nieminen, *Hegemony and the public sphere: Essays on the Democratisation of Communication* (Turku: University of Turku, Department of Media Studies, 2000).
- <sup>99</sup> John Birt and Peter Jay, 'Why television news is in danger of becoming an anti-social force,' *The Times*, 3 September 1976, 6.
- <sup>100</sup> James Curran, *Media and Power* (London: Routledge, 2002), 5.
- <sup>101</sup> Scannell, 'Public Service Broadcasting and Modern Public Life,' 327.
- <sup>102</sup> *Ibid.*
- <sup>103</sup> Andrew Crisell, *An Introductory History of British Broadcasting*, Second Edition (London: Routledge, 2002), 177.
- <sup>104</sup> Curran, *Media and Power*, 5.
- <sup>105</sup> Crisell, *British Broadcasting*, 109.
- <sup>106</sup> *Ibid.*, 112-3.
- <sup>107</sup> James Curran and Jean Seaton, *Power Without Responsibility: The Press and Broadcasting in Britain*. Fifth Edition (London: Routledge, 1997), 179.
- <sup>108</sup> Hugh Greene, *The Third Floor Front: A View of Broadcasting in the Sixties* (London: Bodley Head, 1969), 125.
- <sup>109</sup> Tracey, *Decline and Fall*, 19.
- <sup>110</sup> *Ibid.*, 25.
- <sup>111</sup> 'The Establishment' is a term which was popularised by the conservative journalist Henry Fairlie in the 1950s. For Fairlie, it meant 'the whole matrix of official and social relations within which power is exercised', and referred a socially interconnected and cohesive elite straddling not only the institutions of state, but also the worlds of religion, art and culture. (Henry Fairlie, 'Political Commentary', *The Spectator*, 23 September 1955, 5) The corporate and financial elite was ignored by Fairlie, as it was in the concept's subsequent popularisation, and there has therefore been a tendency for the term to be used to designate an archaic ruling stratum, contrasted with the agents of capitalist modernisation. This should be resisted. As the left-wing journalist and activist Owen Jones notes in his recent revival of the term, 'the Establishment is not static: the upper crust of British society has always been in a state of perpetual flux. ... The Establishment is a shape-shifter, evolving and adapting as needs must.' (Owen Jones, *The Establishment And How They Get Away With It* (London: Penguin: 2014)). Jones and Fairlie both use the term essentially as a collective noun referring to Britain's elites. It is used here both in that sense, but also to refer collectively to the 'salient institutions' which elites command. In other words, it is employed as a term which useful combines the agents and enduring structures and institutions of social power in the UK.
- <sup>112</sup> Crisell, *British Broadcasting*, 179-180.
- <sup>113</sup> Halloran, James D., Elliott, Philip and Murdock, Graham, *Demonstrations and Communication: A Case Study* (Harmondsworth: Penguin, 1970).
- <sup>114</sup> Graham Murdock, 'Political deviance: the press presentation of a militant mass demonstration'. In *The Manufacture of News*, eds. S. Cohen and J. Young (London: Constable, 1973), 172, quoted in Brian McNair, *News and Journalism in the UK*, Fourth Edition (London and New York: Routledge, 1994), 41.
- <sup>115</sup> Anthony Adamthwaite, 'Nation shall speak peace unto nation: The BBC's response to peace and defence issues, 1945-58', *Contemporary British History* 7 no.3 (1993): 557.
- <sup>116</sup> Tony Shaw, 'Eden and the BBC During the 1956 Suez Crisis: A Myth Re-examined', *Twentieth Century British History* 6 no.3 (1995): 342.
- <sup>117</sup> *Ibid.*, 130.
- <sup>118</sup> Glasgow University Media Group, *Bad News* (Routledge and K. Paul, 1976), 267-8.
- <sup>119</sup> Report of the independent panel for the BBC Trust on impartiality of BBC business coverage, April 2007, 19-20, accessed 27 December 2014, [http://downloads.bbc.co.uk/bbctrust/assets/files/pdf/review\\_report\\_research/impartiality\\_business/business\\_impartiality\\_report.pdf](http://downloads.bbc.co.uk/bbctrust/assets/files/pdf/review_report_research/impartiality_business/business_impartiality_report.pdf).

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- <sup>120</sup> Karin Wahl-Jorgensen et al, *BBC Breadth of Opinion Review: Content Analysis* (Cardiff: University of Cardiff School of Journalism, Media and Cultural Studies, 2013), 80.
- <sup>121</sup> Mike Berry, 'The Today Programme and the Banking Crisis,' *Journalism* 14 no.2 (2013): 253-270.
- <sup>122</sup> Edward S. Herman and Noam Chomsky, *Manufacturing Consent: The Political Economy of the Mass Media* (London: Vintage, 1994), 2.
- <sup>123</sup> Sorlin, *Mass-media*, 142, ft.10.
- <sup>124</sup> Noam Chomsky, *Understanding Power: The Indispensable Chomsky* (New York: The New Press, 2002), 18.
- <sup>125</sup> Daniel C. Hallin, *The Uncensored War: The Media and the Vietnam: The Media and the Vietnam* (Oxford: Oxford University Press, 1986).
- <sup>126</sup> Bennett, Lance 'Toward a Theory of Press State Relations in the United States,' *Journal of Communication* 40 no.2 (1990): 103-25. Jonathan Mermin, 'Television news and American intervention in Somalia: The myth of a media-driven foreign policy,' *Political Science Quarterly* 112 no.3 (1997): 385-403. John Zaller and Dennis Chiu, 'Government's Little Helper: US Press Coverage of Foreign Policy Crises, 1945-1991,' *Political Communication* 13 no.4 (1996): 385-405.
- <sup>127</sup> David McQueen, 'BBC's Panorama, war coverage and the "Westminster consensus",' *Westminster Papers in Culture and Communication* 5 no.3 (2008): 47-68. See also David McQueen, 'BBC TV's Panorama, conflict coverage and the "Westminster consensus"' (PhD diss. Bournemouth University, 2010).
- <sup>128</sup> Justin Lewis et al, *Shoot First and Ask Questions Later: Media Coverage of the 2003 Iraq War* (New York: Peter Lang, 2006), 125-6.
- <sup>129</sup> Justin Lewis, 'Biased Broadcasting Corporation,' *Guardian*, 4 July 2003, 27.
- <sup>130</sup> Glasgow University Media Group, *War and Peace News* (Milton Keynes: Open University Press, 1985), 294, 298. See also Greg Philo and Greg McLaughlin, *The British Media and the Gulf War* (Glasgow: Glasgow University Media Group, 1993), David Miller, *Don't Mention the War: Northern Ireland, Propaganda and the Media* (London: Pluto Press, 1994), Greg Philo and Mike Berry, *Bad News from Israel* (London: Pluto Press, 2004) and Greg Philo and Mike Berry, *More Bad News from Israel* (London: Pluto Press, 2011).
- <sup>131</sup> For the intellectual history of radical media criticism see David Berry and John Theobald, eds, *Radical Mass Media Criticism: A Cultural Genealogy* (Montreal: Black Rose Books, 2006), David Berry, 'Radical Mass Media Criticism, History and Theory,' in *The Political Economy of Media and Power*, ed. Jeffery Klaehn (New York: Peter Lang, 2010) 319-336, Robert McChesney and Ben Scott, eds. *Our Unfree Press: 100 Years of Media Criticism* (New York: New Press, 2004).
- <sup>132</sup> Ian Connell, 'Television news and the social contract,' in *CCCS Selected Working Papers: Volume 2*, eds. Ann Gray et al, (London and New York: Routledge, 2007), 289.
- <sup>133</sup> Stuart Hall, Ian Connell, and Lidia Curti, 'The "unity" of current affairs television,' in *CCCS Selected Working Papers: Volume 2*, eds. Ann Gray et al, (London and New York: Routledge, 2007), 363.
- <sup>134</sup> *Ibid.*, 328.
- <sup>135</sup> Stuart Hall et al, *Policing the Crisis: Mugging, the State and Law and Order* (London: Palgrave Macmillan, 1978), 57.
- <sup>136</sup> Philip Schlesinger and Howard Tumber, *Reporting Crime: The Media Politics of Criminal Justice* (Oxford: Clarendon Press, 1994).
- <sup>137</sup> Philip Schlesinger, 'From Production to Propaganda?,' in *Culture and Power: A Media, Culture and Society Reader*, eds. Paddy Scannell, Philip Schlesinger and Colin Sparks (London: Sage, 1992), 294.
- <sup>138</sup> Graham Murdock and Peter Golding, 'Capitalism, Communication and Class Relations,' in *Mass Communication and Society*, ed. James Curran, Michael Gurevitch and Janet Woollacott (London: Edward Arnold, 1977), 40. See also Graham Murdock and Peter Golding, 'For a political economy of the mass media,' in *The Socialist Register 1973*, eds. Ralph Miliband and John Saville (London: Merlin Press, 1974) and Graham Murdock, 'Large corporations and the control of communication industries,' in *Culture, Society and the Media*, eds. Michael Gurevitch et al (London: Methuen), 118-150.
- <sup>139</sup> Murdock and Golding, 'Capitalism, Communication and Class Relations,' 20, 21.

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- <sup>140</sup> See David Edwards and David Cromwell, *Guardians of Power: The Myth of the Liberal Media* (London: Pluto Press, 2006) and David Edwards and David Cromwell, *Newspeak in the 21st Century* (London: Pluto Press, 2009).
- <sup>141</sup> Herman and Chomsky, *Manufacturing Consent*, 2-31.
- <sup>142</sup> *Ibid.*, 2.
- <sup>143</sup> Daniel Hallin, *We Keep America on Top of the World* (New York: Routledge, 1994), 13.
- <sup>144</sup> John Eldridge, 'News, Truth and Power,' in *Getting the Message: News, Truth and Power*, ed. John Eldridge (London: Routledge, 1993), 9.
- <sup>145</sup> Schlesinger, 'From Production to Propaganda?,' 297, 302.
- <sup>146</sup> Glasgow University Media Group, *War and Peace News* (Milton Keynes: Open University Press, 1985) 294, 298. See also Miller, *Don't Mention the War*.
- <sup>147</sup> Burns, *The BBC*.
- <sup>148</sup> *Ibid.*, 189
- <sup>149</sup> *Ibid.*, 192
- <sup>150</sup> *Ibid.*, 195-6.
- <sup>151</sup> Philip Schlesinger, *Putting 'Reality' Together: BBC News* (London: Methuen, 1987), 12-13.
- <sup>152</sup> *Ibid.*, 12.
- <sup>153</sup> Quoted in David McQueen, 'BBC's Panorama, war coverage and the "Westminster consensus",' *Westminster Papers in Culture and Communication* 5 no.3 (2008): 47-68.
- <sup>154</sup> Schlesinger, *Putting 'Reality' Together*, 46.
- <sup>155</sup> *Ibid.*, 180.
- <sup>156</sup> *Ibid.*, 162.
- <sup>157</sup> Born, *Uncertain Vision*, 379.
- <sup>158</sup> *Ibid.*, 397.
- <sup>159</sup> *Ibid.*, 382.
- <sup>160</sup> Quentin Skinner, *Hobbes and Republican Liberty* (Cambridge: Cambridge University Press, 2008), 131.
- <sup>161</sup> Indeed, revealingly the system of broadcasting adopted in Britain, and later emulated elsewhere, was in the interwar period referred to as 'remote state control', see Simon J. Potter, *Broadcasting Empire: The BBC and the British World, 1922-1970* (Oxford: Oxford University Press, 2012), 114.
- <sup>162</sup> Scannell and Cardiff, *A Social History of Broadcasting*, 18.
- <sup>163</sup> Murdock and Golding, 'Capitalism, Communication and Class Relations,' 12-43.
- <sup>164</sup> Peter Golding and Graham Murdock, 'Culture, Communications and Political Economy,' in *Mass Media and Society*, eds. James Curran and Michael Gurevitch (London: Edward Arnold, 1991), 18-19.
- <sup>165</sup> Golding and Murdock, 'Culture, Communications and Political Economy,' 19.
- <sup>166</sup> Raymond Williams, *Culture and Materialism: Selected Essays* (London: Verso, 2005), 52-3.
- <sup>167</sup> Golding and Murdock, 'Culture, Communications and Political Economy,' 18.
- <sup>168</sup> Williams, *Culture and Materialism*, 34.
- <sup>169</sup> Golding and Murdock, 'Culture, Communications and Political Economy,' 21.
- <sup>170</sup> *Ibid.*, 20.
- <sup>171</sup> Nikolas Rose and Peter Miller, *Governing the Present: Administering Economic, Social and Personal Life* (Cambridge: Polity, 2008), 32.
- <sup>172</sup> Nieminen, *Hegemony and the Public Sphere*.
- <sup>173</sup> Ralph Miliband, *The State in Capitalist Society: The Analysis of the Western System of Power* (London: Quartet, 1973), 51.
- <sup>174</sup> Nicos Poulantzas, 'The Problem of the Capitalist State,' *New Left Review* 58 no.1 (1969), 70.
- <sup>175</sup> Ralph Miliband, 'The Capitalist State: Reply to Nicos Poulantzas,' *New Left Review* 59 no.1 (1970): 57.
- <sup>176</sup> G. William Domhoff, *The Power Elite and the State: How Policy is Made in America* (New York: Aldine de Gruyter, 1990). Clyde W. Barrow, 'Ralph Miliband and the Instrumentalist Theory of the State: The (Mis)Construction of an Analytic Concept,' in *Class, Power and the State in Capitalist Society: Essays on Ralph Miliband*, eds. Paul Wetherly, Clyde W. Barrow and Peter Burnham (Basingstoke: Palgrave MacMillan, 2008), 84-108.

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<sup>177</sup> Nicos Poulantzas, *State, Power, Socialism* (London: Verso, 2000), 129.

<sup>178</sup> *Ibid.*, 132.

<sup>179</sup> Bob Jessop, *State Power* (Cambridge: Polity, 2008), 120. An empirical example of such a perspective can be found in Longstreth's argument that the Bank of England and the Treasury should be understood as the institutionalisation of the power of finance capital within the state, see Frank Longstreth, 'The City, Industry and the State,' in *State and Economy in Contemporary Capitalism*, ed. Colin Crouch (London: Croom Helm, 1979), 157-90.

<sup>180</sup> On which see also Scott, *Who Rules Britain?*.

<sup>181</sup> C. Wright Mills, *The Sociological Imagination* (Oxford: Oxford University Press, 2000), 146.

<sup>182</sup> Scannell, 'Public Service Broadcasting and Modern Public Life,' 317-8.

<sup>183</sup> Nicholas Abercrombie and Bryan S. Turner, 'The Dominant Ideology Thesis,' *British Journal of Sociology* 29 no.2 (1978): 149-170. Nicholas Abercrombie, Stephen Hill and Bryan S. Turner, *The Dominant Ideology Thesis* (London: Allen and Unwin, 1980). Nicholas Abercrombie, Stephen Hill and Bryan S. Turner, *Dominant Ideologies* (London: Allen and Unwin, 1990).

<sup>184</sup> Aeron Davis, *The Mediation of Power: A Critical Introduction* (London and New York: Taylor and Francis, 2007), 2, 170.

<sup>185</sup> This latter point is supported by Lewis's study of public opinion and its representation in the media, in which he argues that 'political power does not depend on the continual need to persuade popular opinion', only on 'the perception that the system of representation, for all its flaws, is generally a fair reflection of popular opinion.' In other words, even if it fails to convince non-elite groups, by maintaining the *appearance* of consent, the media help perpetuate the elite dominance of public life. (Justin Lewis, *Constructing Public Opinion: How Political Elites Do What They Like and Why We Seem to Go Along with it* (New York: Columbia University Press, 2001), 204.)

<sup>186</sup> Davis, *Mediation of Power*, 4

<sup>187</sup> *Ibid.*, 170.

<sup>188</sup> *Ibid.*, 2, 170.

<sup>189</sup> Greg Philo, *Seeing and Believing: The Influence of Television* (London and New York: Routledge, 1990).

<sup>190</sup> *Ibid.*

<sup>191</sup> David Miller and Greg Philo, 'The Effective Media,' in *Message Received: News, Truth and Power*, ed. Greg Philo (Abingdon and New York: Routledge, 1999), 29.

<sup>192</sup> Kitzinger, Jenny, 'Understanding AIDS: researching audience perceptions of Acquired Immune Deficiency Syndrome,' in *Getting the Message: News, Truth and Power*, ed. John Eldridge (London: Routledge, 1993) 246-277. David Miller, 'Official Sources and "Primary Definition": The Case of Northern Ireland,' *Media, Culture and Society* 15 no.3 (1993): 385-406. Miller, *Don't Mention the War*. Natalie Fenton, Alan Bryman and David Deacon, *Mediating Social Science*. London: Sage, 1998.

<sup>193</sup> 'Perceptions are not reality: The top 10 we get wrong', Ipsos MORI, 9 July 2013, accessed 28 December 2014, <http://www.ipsos-mori.com/researchpublications/researcharchive/3188/Perceptions-are-not-reality-the-top-10-we-get-wrong.aspx>.

<sup>194</sup> Curran, *Media and Power*, 239

<sup>195</sup> Steven Lukes, *Power: A Radical View*, Second Edition (Basingstoke and New York: Palgrave Macmillan, 2005).

<sup>196</sup> The 'New Right' is a term used here to refer to the political movement against social democracy and the New Left, which came to prominence from the 1970s and dominated political agendas from the 1980s onwards. The New Right, Gamble notes in his influential account, 'does not signify... either a unified movement or a coherent doctrine'. Rather it refers to a range of sometimes divided and conflicted groups which rejected 'many of the ideas, practices and institutions that had characterised social-democratic regimes in Europe and the New Deal and Great Society programmes in the United States', and which 'sought to undo much that had been constructed in the previous sixty years.' Gamble notes in particular the conflict between liberal and conservative ideas. (Andrew Gamble, *The Free Economy and the Strong State: The Politics of Thatcherism* 2<sup>nd</sup> Edition (London: Palgrave Macmillan, 1994), 34)

Hay and Farrall have recently depicted Thatcherism as lying at the intersection of the New Right's neoliberal and neoconservative tendencies. (Colin Hay and Stephen Farrall, 'Interrogating and conceptualizing the legacy of Thatcherism,' in *The Legacy of Thatcherism: Assessing and Exploring Thatcherite Social and Economic Policies*, ed. Stephen Farrall and Colin Hay (Oxford: Oxford University Press, 2014) 9) The evidence in their edited collection, however, illustrates that whilst this may be a useful depiction of what they term the 'ideational content' of Thatcherism (*Ibid.*), at the level of policy, 'neo-conservative' ideas in fact proved far less influential than neoliberal ideas (see especially Stephen Farrall and Will Jennings, 'Thatcherism and crime: the beast that never roared?,' in *The Legacy of Thatcherism: Assessing and Exploring Thatcherite Social and Economic Policies*, ed. Stephen Farrall and Colin Hay (Oxford: Oxford University Press, 2014), 207-233). That being the case, it makes more sense to conceive of the New Right as a political movement with neoliberal ideas at its core and 'neo-conservative' ideas at the periphery. As to the relationship between Thatcherism, neoliberalism and the broader New Right, this has been the subject of much scholarly debate. Is Thatcherism a set of ideas, or a form of political praxis? To what extent should Thatcherism be associated with the personality of Margaret Thatcher, or the administrations she led? And in what sense is it a useful concept analytically distinct, whether in terms of ideas or practice, from the neoliberal movement, or other elements of the New Right? It seems to me that the most straightforward approach is to use the terms 'Thatcherite' and 'Thatcherism' to refer to the political elites at the core of the New Right in the UK – at the core of which, in turn, was Margaret Thatcher herself.

<sup>197</sup> See especially Tom O'Malley, *Closedown? The BBC and Government Broadcasting Policy 1979-92* (London: Pluto Press, 1994), Tom O'Malley and Jones, Janet, eds., *The Peacock Committee and UK Broadcasting Policy* (London: Palgrave Macmillan, 2009), Peter Goodwin, *Television Under the Tories: Broadcasting Policy, 1979-1997* (London: BFI Publishing, 1998), Michael Leapman, *The Last Days of the Beeb* (London: Allen and Unwin, 1986) and Steven Barnett and Andrew Curry, *The Battle for the BBC: A British Broadcasting Conspiracy* (London: Aurum Press, 1994).

<sup>198</sup> Michael Burawoy, 'The Critical Turn to Public Sociology,' *Critical Sociology* 31 no.3 (2005): 313–326 and Michael Burawoy, 'For Public Sociology,' *American Sociological Review* 70 no.1 (2005): 4-28.

<sup>199</sup> Max Weber, *The Methodology of the Social Sciences*, trans. and eds. Edward A. Shils and Henry A. Finch (Brunswick, NJ: Transaction, 2011) 81-2.

<sup>200</sup> *Ibid.*, 82.

<sup>201</sup> *Ibid.*

<sup>202</sup> Christopher G.A. Bryant, *Sociology in Action: A Critique of Selected Conceptions of the Social Role of the Sociologist* (London: Allen and Unwin, 1976), 235.

## Part I

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## Chapter 2

### Public Service Broadcasting and its Discontents

There is increasing awareness of the power that control over channels of communication carries. The healthy functioning of our democracy depends upon the free flow of information. In television the power is in the hands of the [Independent Television] Authority and of the Governors of the BBC. In theory they act as public trustees but in practice the public has little chance to scrutinise or influence their decision-making processes. The case is made with increasing cogency that broadcasting is in the hands of a small body not representative of the wider community.

– Select Committee on Nationalised Industries, 1972.<sup>1</sup>

It would be wrong to suppose that the BBC exists on one side of a barrier and the public on the other. In fact there is no barrier. We and the people we serve are in a relationship so close that it is difficult to draw a clear boundary between us.

– BBC submission to the Committee on the Future of Broadcasting, 1975.<sup>2</sup>

Having already established itself as an authoritative voice of national culture in the 1930s, the BBC's status was enhanced by its role as an instrument of public information and national propaganda during the Second World War. Initially seen by the public as untrustworthy and elitist, it sought – closely supervised by the Ministry of Information – to broaden its appeal, promoting a more egalitarian nationalism which appealed as much to 'ordinary' culture as to the symbols of nation and Empire (a trend exemplified by the participation of left-wing intellectuals like J.B. Priestley and George Orwell). Whilst 'clinging on to many of its established traditions' the BBC's 'pre-war cultural elitism [was] modified into an uneasy kind of elevated classlessness',<sup>3</sup> and the wartime BBC thus helped craft the more inclusive, collectivist political culture on which the more egalitarian post-war political-economy was built.<sup>4</sup> As a public institution modelled on the civil service, the BBC was well suited to the statist consensus politics of the post-war period. Though it lost 'the brute force of monopoly' in 1955, it adapted relatively quickly to the new 'duopoly' and the challenge of competition – competition which in any case was structured largely in accordance with the ideals of public service broadcasting which Reith's BBC had pioneered. Whilst it then sought, with some success, to engage with the cultural changes of the 1960s, the political and social upheavals of the latter part of that decade proved a more serious challenge. Greater affluence, free education and low unemployment afforded a new freedom to question power not just in the workplace, but of, and in, a whole range of social institutions. As the Committee on the Future of Broadcasting noted in 1977, the sixties saw a growth of hostility 'to authority as such; not merely authority as expressed in the traditional organs of State but towards those in any institution who were charged with governance.'<sup>5</sup> The BBC, the paternalist institution *par excellence*, thus came increasingly to be seen as part of a bureaucratic and unaccountable Establishment, and like other state institutions found its hegemony over public life increasingly contested.<sup>6</sup>

The challenge to the broadcasting establishment that emerged in the late 1960s grew in the following decade as 'the post-war consensus' seemed to further disintegrate in the midst of an acutely felt political and economic crisis. Scholars influenced by sixties radicalism no longer took for granted social structures and the ideas which legitimated them, and sociologists powerfully undermined journalistic notions of impartiality and objectivity – professional norms which were not only strongly held by journalists, but justified the BBC's privileged position in British society. Meanwhile, the media, and the BBC in particular, came under considerable pressure from both conservative moralists and a range of social forces on the left, including the broadcasting unions. Radical sections of the

labour movement agitated for structural reforms, inspired both by class based critiques of media institutions and increasingly popular notions of worker self-management.

The influence that the politics and culture of the 1960s had on the BBC, and the internal pressure from union militancy in the Corporation, is considered further in subsequent chapters. Here we focus on the origins and growth of the media reform campaigns in the 1970s and examine particularly how allegations of class bias and wider criticisms of industrial reporting were dealt with by the BBC. As we shall see, faced with such criticisms, the priority of the BBC leadership was to defend the broadcasting status quo, seeking to preserve the Corporation's autonomy from the public.

The response of British officialdom more broadly was to establish the Annan Committee on the Future of Broadcasting, a public inquiry which became the focal point for broadcasting debates in the 1970s. Though relatively sympathetic to the radical critiques of broadcasting, critical of certain aspects of the BBC, and cognisant of the need for change, the Annan Committee was ultimately committed to the liberal social order which, it believed, was legitimated by parliament. Whilst offering a considerable concession to naysayers in the shape of a new alternative, non-commercial, channel, Annan left the BBC (and ITV) largely untouched. By this time the egalitarian social movements that had driven the broadcasting agenda since the late 1960s were receding under the pressure of fiscal austerity and a growing conservative backlash. The momentum would not be recovered and several years later the agenda of media reform would be taken up by a potent alliance of neoliberal intellectuals and corporate interests.

We begin this chapter with an account of the emergence of the 'New Left' – both the political radicals of '68 and their 'non-aligned' antecedents a decade earlier. We consider how the interest of New Left intellectuals in culture and ideology under capitalism, and the wider movement's general hostility towards hierarchical institutions, influenced the coalition of activists, academics, trade unionists and left-wing politicians that campaigned for media reform in the 1970s. The analysis of both trends is coupled with an account of the radicalisation of the academy, and the calls for industrial democracy that gained strength in the labour movement during the same period. We then consider the Establishment response, and the deliberations and recommendations of the Annan Committee, before considering in some detail how the BBC leadership responded to pressure over its industrial reporting through an account of the establishment of its Consultative Group on Industrial and Business Affairs. We conclude the chapter with some reflections on the place of BBC journalism within the social democratic social order.

### **The influence of the New Left**

In its yearbook of October 1968, the BBC noted that during 1967/8 its role had become 'particularly arduous' due to splits in public opinion and the emergence of 'several competing views' amongst its audience. That December, John Grist, the Head of Current Affairs Group, sent a confidential memo on 'the future structure of television news bulletins' to the controllers of BBC1 and BBC2 and the Editor of News and Current Affairs. It began: 'It would appear that in the next two or three years we can reasonably expect to be under constant pressure in the area of social and political policy. It would be wise, therefore, to ensure that our output and methods of control are suitable.'<sup>7</sup>

This was a period of considerable social and political upheaval in Britain and around the world. As Lin Chun notes, 1968 marked the 'rebirth and stimulation of an expansive mood of radical resistance within capitalist societies'.<sup>8</sup> The student movement reached its zenith in Paris that May with widespread campus protests and an historic general strike. In the UK, thousands marched on Grosvenor Square in protest at the Vietnam War and students at the London School of Economics and other universities and colleges organised sit-ins and occupations. This 'mood of radical resistance', so eulogised since, would long outlive the heady days of 1968, influencing a range of radical social movements.<sup>9</sup> Like similar movements elsewhere, these movements were inspired by the civil rights movement in the US and independence movements in the Global South. But another significant influence in the UK was the decade old Campaign for Nuclear Disarmament (CND), which contained a significant number of radical socialists and Christians who had pioneered 'direct action' in the UK.<sup>10</sup> These activists, who had mobilised in opposition to the parliamentary left, were closely connected



with an informal group of ‘non-aligned’ intellectuals who like the radicals of ‘68 are also (confusingly) referred to as the New Left. Chun, who examines what we will call here the Early New Left and the post-68 New Left together, identifies in them ‘three major trends’:

- (1) dissident communism based on working-class culture and politics and other nineteenth-century native radical traditions;
- (2) independent socialism, stemming from a fusion of the radicalism of the Oxbridge professional middle class and the tradition of London populist protest;
- (3) theoretical Marxism, inspired by classical internationalism and continental European Marxist currents.

‘Other components,’ she notes, ‘such as revolutionary Christian thought, socialist feminist thinking and “green politics”, and the aesthetics of sub-culture and counter-culture were also visible.’<sup>11</sup> Needless to say, the New Left and the cultural and political trends with which it is associated were to have significant and complex influences on British society. For our present purposes however, two features are of particular note. The first is its interest in culture and ideology, and especially the ideological power of the mass media as an instrument of social control. The second is the general disaffection with the culture and institutions of social democracy and the hostility towards hierarchical institutions, public or private. These two elements were to combine in the radical social movements of the 1970s when, as we shall see, activists, academics, trade unionists and left-wing politicians developed a cogent class based critique of media institutions, whilst campaigning for their reform and democratisation. This political project became all the more pertinent and compelling with the onset of the economic crisis in 1973, when working class militancy and trade union power became ever more prominent in political discourses as – to borrow Robert Taylor’s phrase – scapegoats of national decline.<sup>12</sup>

### **Media power and the radicalisation of the academy**

Many of the key Early New Left intellectuals were centrally concerned with the growing power and significance of systems of communications and cultural production in capitalist society and the need, as they saw it, to develop socialist alternatives. We find this most obviously in the work of Raymond Williams, but also in the writings of several other influential Early New Left figures, including E.P. Thompson, C. Wright Mills and Ralph Miliband. At the time of his death in 1962, Mills was working on a book to be called *The Cultural Apparatus*, a project which reflected his growing belief that the power elite he famously identified maintained its dominance primarily through this ‘apparatus’, and the mass media in particular.<sup>13</sup> Miliband, who was strongly influenced by Mills, was also highly critical of ‘the mass media in advanced capitalist society’ which he argued:

cannot fail to be, predominantly, agencies for the dissemination of ideas and values which affirm rather than challenge existing patterns of power and privilege, and thus to be weapons in the arsenal of class domination.<sup>14</sup>

Whilst Williams, Thompson and Mills were mostly concerned with the commercialisation of culture, Miliband’s critique was extended to public service broadcasting, which, he argued, was ‘steeped in an official environment’ and bound to ‘fulfil a conformist rather than a critical role.’<sup>15</sup> Like Miliband, E.P. Thompson also believed in the need to develop ‘an *alternative* “cultural apparatus” which bypasses the mass media and the party machinery’, writing in May 1961 that: ‘The task of creating an alternative means of communication has, from the start, been a major preoccupation of the New Left.’<sup>16</sup> This interest in class, culture and ideological power was galvanised by the subsequent importation of ‘Continental Marxism’ by the *New Left Review* from 1963.<sup>17</sup> This popularised a diverse range of thinkers who sought to move beyond the narrow ‘economism’ of classical Marxism – or at least its more dogmatic adherents – and develop a more expansive intellectual schema capable of engaging with ‘extra-economic’ factors in the reproduction capitalist social relations. The ideological power of the mass media was an important element in the writings of many of these Continental Marxists, particularly those associated with the Frankfurt School, whilst the emphasis on the power of

ideology was especially prominent in the writings (and interpretations) of Gramsci and the Structural Marxists (Louis Althusser's notion of the 'ideological state apparatus' was particularly influential). Behind these intellectual preoccupations lay significant social changes which had taken place in capitalist societies; initially the rise of fascism, but then, in the post-war period especially, the incorporation of working class movements into formal politics, the expansion of the welfare state, rising prosperity, the increased social significance of television and the related rise of 'consumerism' and popular culture. These same factors also shaped the politics of many of the leading Early New Left intellectuals who, as Stuart Hall would later recall, held that 'the spread of consumerism had disarticulated many traditional cultural attitudes and social hierarchies, and this had consequences for politics, the constituencies for change and the institutions and agendas of the left'.<sup>18</sup>

As intellectuals laboured to come to terms with contemporary political changes and challenges, the influence of economics on the radical imagination declined, making way for newcomers like psychology, art, literary theory and linguistics. Whilst history remained a key discipline (notably in the influential works of E.P Thompson, Perry Anderson and Eric Hobsbawm), the most significant newcomer was sociology, which the New Left historian Dorothy Thompson recalls: 'was the "in" discipline and, particularly among the younger New Lefters, was seen as a much more valuable key to the understanding of society than economics.'<sup>19</sup>

As Michael Burawoy has suggested (writing primarily from a US perspective), the rise in radical sociology in the 1970s was an attempt to explain the dramatic social and political changes that were taking place.<sup>20</sup> But whilst the radicalisation of sociology and the more general growth of academic interest in class, gender and race in this period was certainly a response to contemporary upheavals, it was also, as Geoffrey Pearson has suggested, a symptom of prior and more subtle change, such as the increase in social mobility and the expansion of higher education that followed the Robbins Report of 1963.<sup>21</sup> In his *History of Sociology in Britain*, A. H. Halsey, notes (with some muted disapproval) the relationship between university expansion, radical sociology and the 'new social movements',<sup>22</sup> whilst the New Right, which rose in reaction, was highly critical of university expansion for this reason.<sup>23</sup> Thus with the expansion of higher education, sixties radicalism was able to find some institutional support in the formerly conservative world of academia and radical media critics found 'a toehold in a handful of universities where they provided a muscular critique while maintaining a tenuous institutional existence thereafter.'<sup>24</sup>

A particularly notable example of this academic institutionalisation was the CCCS at Birmingham University, which for most of the 1970s was headed by Stuart Hall. A former editor of the *New Left Review*, Hall founded the Centre in 1964 with fellow New Left intellectuals Raymond Williams and Richard Hoggart. In 1971 the CCCS formally established a media working group which 'worked in close alliance with "activist" organisations'.<sup>25</sup> Morley, a former member recalls: 'The [media working] group's initial agenda encompassed questions of impartiality, objectivity, "professionalism", bias and the "politics of dissent" in the UK news media – which were then beginning to come under sustained critique.'<sup>26</sup> Elsewhere Morley has written of the CCCS's 'external history' of national crisis and industrial unrest, and its 'internal history' of Marxist theoretical tools.<sup>27</sup> Another major centre of media scholarship in this period was the Centre for Mass Communications Research at Leicester University. It originally grew out of the Home Office's Television Research Committee and the scholarly approach of its director James Halloran reflected these more conservative origins,<sup>28</sup> but it also housed scholars who took a more radical approach. As noted in the last chapter, Murdock and Golding, went on to develop a radical critique of the mass media which, in opposition to the Birmingham school's emphasis on culture, insisted on the central importance of political economy – an approach shared with the Polytechnic of Central London.<sup>29</sup> A third notable academic grouping was the Glasgow University Media Group, a collective of sociologists who shared many of the interests of the Birmingham and the Leicester groupings. Founded in 1974, the Glasgow Group produced an extensive empirical study of television news which centred on its skewed portrayal of industrial conflict, published as *Bad News* in 1976.

There were methodological and theoretical differences between these various academic groups. Turner notes that whilst the Birmingham School broke with empirical social science, the 'Leicester

centre was initially heavily influenced by empiricist communication theory, and then by media sociology and political economy'.<sup>30</sup> The approach of the Glasgow Group was similarly rooted in an empirical sociological tradition and though it initially enjoyed a good relationship with the Birmingham school, members would later become highly critical of its strong emphasis on theory.<sup>31</sup> Whatever their academic differences however, these various groups shared an emphasis on the systemic class bias of the mass media and their theories and research findings together contributed to a more critical climate for the broadcasting establishment. As early as May 1972, the BBC's Head of Features, Television, Aubrey Singer sent a widely circulated memo to the Editor of News and Current Affairs in which he criticised the Corporation's leadership for, among other things, failing to support journalists against criticisms from 'scholarship'.<sup>32</sup> Five years later, the Annan report noted that the 'notion of due impartiality' was being 'attacked by sociologists'.<sup>33</sup> The Glasgow Group's book *Bad News* in particular, though reportedly 'resented' by television journalists, had an unusual impact for an academic study.<sup>34</sup> Though its authors were smeared as Marxists,<sup>35</sup> its findings certainly unnerved television broadcasters. The British television producer Alex Graham, who later joined Channel 4, attended an interview at the BBC in 1976 during which he was asked what he thought of *Bad News* by his interviewees,<sup>36</sup> and leaked BBC minutes from that same year reveal that the Chief Assistant to the Director-General was concerned about 'the gradual indoctrination effect' of the book.<sup>37</sup>

### **Industrial democracy, civil society groups and the labour movement**

The radicalisation of the academy in the 1960s and '70s coincided with the emergence of egalitarian social movements and the strengthening of the left of labour movement. In the trade unions, this period saw the election of left wing figures to key leadership positions whilst at the 'grass roots' level the shop steward movement – workers who organised independently of the more conservative union bureaucracy – became increasingly influential. In the Labour Party, then still closely associated with the unions, the left had been strengthened by the defeat of attempts at industrial relations reforms by successive governments and the integration of radical activists into local constituency politics. Though the left of the party still tended to be sidelined by the more conservative party leadership, it remained influential well into the 1980s and sought to advance a popular socialist politics beyond the boundaries of 'parliamentarianism' set out by the Labour Party.<sup>38</sup> The Bennite left, as it later became known, advocated an expansion of the scope and capacity of democratic controls in British society, influenced by the New Left's disaffection with the culture and institutions of social democracy.<sup>39</sup>

The democratisation of the state and civil society had been a popular demand of the '68 radicals, a trend most obviously symbolised by the leading role played in the US by the Students for a Democratic Society, which had grown out of the League for Industrial Democracy. In the UK too, workers' control, or industrial democracy, became increasingly popular in the '60s and '70s as an alternative to both capitalist social democracy and the central planning associated with the communist bloc. Chen identifies the popularity of 'industrial democracy' in the 1970s as one of the lasting influences of the New Left<sup>40</sup> and Thompson concurs that the Institute for Workers' Control (IWC) was one of the enduring political legacies of the New Left, along with the CND and the 'non-aligned' sections of the Labour Party and the trade unions.<sup>41</sup> IWC's first pamphlet, published on 31 March 1968 and authored by the influential trade union leader Hugh Scanlon, called for 'effective planning on a national level, and an effective system of industrial democracy, to supplement the shell of political democracy'.<sup>42</sup> Another key advocate was Jack Jones, who as General Secretary of the Transport and General Workers' Union during much of the 1970s championed the idea of workplace democracy built on the shop steward movement.<sup>43</sup> Jones, who became a key figure in the Labour Party's corporatist 'social contract', chaired a party inquiry on industrial democracy that reported in 1967. Though the calls for industrial democracy did not receive universal support from the left of the labour movement,<sup>44</sup> they did resonate with some key figures. Amongst the Labour Party leadership, Benn, who was actively involved in the work of the IWC, became a powerful advocate.<sup>45</sup> At the 1973 Labour Party conference, he declared: 'We are talking about the transfer of power within industry and we will not accept the existing pattern of nationalisation as a form for the future.'<sup>46</sup> Under pressure from the left, the Labour leader Harold Wilson officially sanctioned industrial democracy, establishing the Committee of Inquiry on Industrial Democracy, headed by the Oxford academic Alan Bullock.<sup>47</sup>

When Bullock eventually reported in 1977 he would recommend that the broadcasters be exempted from his proposed reforms. But on the Labour left, democratisation was already a popular solution to the perceived remoteness and class biases of the broadcasting establishment. Benn was particularly influential in this regard. Before being radicalised by his contacts with the New Left and his experiences in government, Benn had chaired the Labour Party advisory committee on broadcasting (1957-1964) and then served as Postmaster-General (1964-66). Briggs notes that he was the first Postmaster-General who 'while believing strongly in public service broadcasting, did not identify public service broadcasting with the BBC'.<sup>48</sup> In 1968, he made what became a notorious speech at a Labour Party meeting in Bristol in which he attacked 'the benevolent paternalism of the constitutional monarchs who reside in the palatial Broadcasting House',<sup>49</sup> and used the phrase, 'broadcasting is really too important to be left to the broadcasters,' which was to be widely quoted by both proponents and opponents of media reform.

Benn was at this time going through something of a political transition from technocratic moderniser to radical democratic socialist. Though not closely affiliated with the new social movements he came to consider that: 'The student power movement, the Black Power movement and the discontent amongst trade unionists are very powerful and important new forces in society', arguing that 'the Labour Party has got to enter into a creative relationship with them.' Going into the 1970 election he argued that the central issue ought to be 'the people versus the elite',<sup>50</sup> and thereafter worked closely with groups campaigning on media reform, as well as with academics and trade unions, promoting a critical view of the broadcasting establishment that, he says 'the whole left shared'.<sup>51</sup> A typical expression of Benn's position on the media was given in a speech at a symposium on broadcasting policy at the University of Manchester in February 1972:

Nobody wants governmental political control, but the present combination of corporate or commercial control theoretically answerable to politically appointed boards of governors is not in any sense a democratic enough procedure to control the power the broadcasters have.

What is required therefore is some way of developing a new framework to democratise this power without falling into the trap of State control or confusing commercial competition and free enterprise with the free expression of different views on the air.<sup>52</sup>

This position was informed by a strongly held belief that there existed a 'bias of the media against working people'.<sup>53</sup>

It is important to note that the critique developed by the left during this period was not directed at journalists as such, but rather at the institutions in which they worked and the authorities who yielded managerial and editorial power within them. Indeed, some of the most active and influential of the groups campaigning for radical media reform were made up of organised workers within the industry. One such group was the Association of Cinematograph Television and Allied Technicians (ACTT), a broadcasting union which from 1969 was headed by the left-wing Labour Party member Alan Sapper. Sapper led a number of important industrial actions in the television and film industry during the 1970s and '80s, but his union was also explicitly 'political', combining a class based critique of the media with pressure for structural reforms. Writing as part of an academic collection in 1977, Sapper argued that, 'Broadcasting, in both its organisation and output, supports the property-owning class and its values'.<sup>54</sup> The ACTT was one of the first organisations to produce an analysis of the reporting of industrial disputes, having established a 'television commission' to examine the issue in January 1971. The commission published its findings as an occupational paper entitled 'One Week', which made allegations of bias and censorship,<sup>55</sup> later endorsed at the ACTT's conference.<sup>56</sup> Alan Sapper also helped to promote the issue of media bias in the wider trade union movement. In 1975, the TUC Congress carried a resolution proposed by the ACTT on 'Countering Anti-Trade Union Bias in the Media', which condemned distortion in the coverage of industrial relations and called on the TUC to be 'more effective in answering the attacks'.<sup>57</sup>

Another radical group of media workers which produced an early critique of industrial reporting was the Free Communications Group (FCG), an organisation which was strongly influenced by the 1968 'mood of radical resistance'. Like the ACTT, it combined allegations of class bias with agitation for workers' control. The media scholar, Nick Garnham, a participant, describes it as 'a grouping of journalists and broadcasters campaigning, within a broadly syndicalist perspective against media concentration and what was seen as anti-working-class bias'.<sup>58</sup> Like the ACTT, the FCG worked closely with the Centre for Contemporary Cultural Studies at Birmingham University.<sup>59</sup> It published a periodical called *The Open Secret* and organised discussion groups, the first of which, held in July 1969, featured Tony Benn.<sup>60</sup> Later that month, one of the group's steering committee members, Gus McDonald, was quoted by *The Times* as describing the BBC as 'ripe for democratic control'<sup>61</sup> and the Group subsequently began organising workers in the Corporation.<sup>62</sup> In December 1970, the FCG produced a report alleging bias in the coverage of an industrial demonstration.<sup>63</sup> Perhaps most significantly of all, a year later, the BBC's in-house union, the Association of Broadcasting Staff (ABS), proposed a motion at the TUC annual conference calling for the establishment of a committee to study television coverage of the trade unions.<sup>64</sup>

In 1974, the radical critique of broadcasting that had been popularised by this network of journalists, academics and activists was endorsed by the Labour Party – if not the Labour government – in a report of a Study Group entitled 'The People and the Media'. It proposed the break-up of the BBC/ITV duopoly and the creation of 'a large number of broadcasting units distributed throughout the country' which would be accountable through 'the introduction of real internal democracy,' as well as 'elected representatives on broadcasting management bodies' and 'democratic determination and control of broad strategies of national broadcasting policy'.<sup>65</sup> These radical proposals were the result of a number of meetings held between May 1972 and May 1974, the majority of which were chaired by Benn. As Freedman has detailed, the committee which established the Study Group in April 1972 invited a number of radical media critics to its original meeting, including Stuart Hall and Raymond Williams, Neal Ascherson and Gus MacDonald from the FCG Steering Committee, and Caroline Heller, author of the aforementioned ACTT television commission report.<sup>66</sup> Though neither Hall nor Williams became involved in the Study Group, it did include two younger scholars, James Curran and Nick Garnham, both of whom brought with them radical perspectives on the media. Curran was a Labour Party activist who was studying the press,<sup>67</sup> whilst Garnham had worked as a film editor and director at the BBC and was involved in the Free Communications Group and the 76 Group, a more liberal organisation which campaigned for a public inquiry on broadcasting. Like Heller, he had also worked with the ACTT,<sup>68</sup> the General Secretary of which, Alan Sapper, was also involved in the committee behind *The People and the Media*.<sup>69</sup>

Part of Curran's explanation for how it was that a 'radical proposal could have been carried in the face of very eloquent opposition' is the strength of the trade unions and the hostility towards them that was so prevalent in the media.<sup>70</sup> Indeed, the major motivation for the establishment of the committee that produced *The People and the Media* was the hostility of the press towards the trade unions, which had become an acute concern for the whole of the labour movement. In 1975, the TUC conference passed a motion condemning the 'biased and hysterical coverage' of trade unions and declaring that broadcasting in this area 'is too important an area to be left to the activities of media managers'. Two years later, the TUC established a working group to monitor the 'presentation of the trade union movement in the press and in broadcasting'.<sup>71</sup>

### **Other contemporary critiques**

The acute sense of national crisis that developed during the 1970s was felt across British society and the labour movement and the radical left were not the only social forces that saw the media's role in public life as problematic. Another popular critique of broadcasting practices during this period came from the moral conservatives, who were part of the broader conservative backlash against the liberalism and radicalism of the 1960s. Attacks on television, and the BBC in particular, were a notable feature of the moralistic wing of the conservative movement and, though somewhat tangential to our purposes here, the moral conservatives certainly played a significant role in the politics of

broadcasting in this period. As Durham has noted, what became the moralistic fraction of the New Right had initially

focused on television with the emergence of the Clean-Up TV Campaign. Launched by Mary Whitehouse in 1964, and renamed the National Viewers' and Listeners' Association (VALA) the following year, its attack on the BBC for encouraging 'disbelief, doubt and dirt' became increasingly generalised to other media and to permissiveness as such.<sup>72</sup>

Given her apparent remoteness from the centres of power, there is a tendency to see Whitehouse as an old fashioned but rather harmless figure; an admirably tenacious English eccentric, more prudish than political. However, this does Mary Whitehouse, and political and social history, a disservice. Along with Enoch Powell, she was an important figure in British conservatism who anticipated the more pervasive 'authoritarian populism' (as Stuart Hall famously dubbed it) of the 1970s. As Whipple has noted, Whitehouse, like Powell, employed an anti-elitist rhetoric, 'specifically taking aim at a "small but powerful minority in the Broadcasting House" that was actively promoting left-wing causes, including the British Humanist Association and the Homosexual Law Reform Society.'<sup>73</sup> Whitehouse led an authentically conservative movement, which though preoccupied with sex and violence on television, was driven by anxiety about 'moral decline' – a concept that on closer examination is revealed to be highly political. According to Durham, Whitehouse believed that 'sexual anarchy will be followed by political anarchy and that in turn by "either dictatorship or destruction" unless we defend standards and "the family, the foundation-stone of civilised life".'<sup>74</sup> For Whitehouse and those like her, the BBC was a vanguardist institution forcing social change from above through its high-minded liberalism. In her 1977 book, *Whatever Happened to Sex?*, Whitehouse wrote:

If anyone were to ask me who, above all, was responsible for the moral collapse which characterized the sixties and seventies, I would unhesitatingly name Sir Hugh Carleton Greene, who was Director-General of the BBC from 1960 to 1969. He was in command of the most powerful medium ever to affect the thinking and behaviour of people – television.<sup>75</sup>

In 1974, Whitehouse's moralistic campaign was sanctioned by the New Right trailblazer Keith Joseph, who (in the notorious Edgbaston speech that would discredit him as a future leader) praised Whitehouse for daring to 'speak up against the BBC, the educators and false shepherds'.<sup>76</sup>

Another influential critique of broadcasting that emerged during the 1970s – and one with perhaps greater significance for our current purposes – was developed by the future BBC Director-General John Birt in partnership with the financial journalist and political operator Peter Jay. During the 1970s, Birt worked in Current Affairs at the ITV weekend London franchise LWT, where he was Executive Producer of the high brow current affairs programme *Weekend World*. Jay, the programme's main presenter, was the economics editor of *The Times* and through his contact with neoliberal economists in the United States had become an early convert to monetarism.<sup>77</sup> In 1975, Birt and Jay claimed in a series of articles in *The Times* that television had what they called a 'bias against understanding' resulting from its lack of analytical rigour. The first of these articles appeared in February 1975. It focused on the symptoms of the economic downturn – 'deteriorating balance of payments, a sinking pound, rising unemployment, accelerating inflation and so on' – and argued that through its preoccupation with these symptoms, television news and current affairs was failing to explain to the public the causes of, or possible solutions to, Britain's economic problems.<sup>78</sup> In subsequent articles, Birt and Jay proposed the use of journalists with specific areas of expertise and the development of current affairs style analysis in news programmes – which at that time were committed to factual reporting. In the last of their articles, which appeared in September 1976, they went as far as to describe television journalism as anti-social.<sup>79</sup>

The critique developed by Birt and Jay had some common ground with those developed by the labour movement and radical academics. Trade unions often criticised the emphasis placed on the *effects* of strikes rather than their *cause*, whilst the criticism of the notion of impartiality was commonplace in

media scholarship. But there were also important differences. Whereas the labour movement called for democratisation and better representation for, and of, working people, Birt and Jay advocated the development of a more specialised and educated broadcasters; arguing in their final article that television journalists lacked the necessary ‘qualifications and background’ to adequately explain politics and society.<sup>80</sup> Moreover, though Birt and Jay’s arguments suggested the need for a more enlightened and educated public, there was also an implicit concern that otherwise the public might obstruct policy making. In one revealing passage they noted the ‘danger’ that politicians ‘may be inhibited from taking the necessary action because of the outrage they fear it would provoke.’<sup>81</sup>

Fundamentally, the difference between Birt and Jay’s argument and that advanced by the radical critics of broadcasting was that the former ultimately framed their critique in terms of professional competency, whilst the latter rooted theirs in the language of power and interests. Birt and Jay’s thesis was critical of well-established professional norms, and its implementation would certainly have entailed a considerable structural overhaul (indeed it influenced the changes outlined in Part II of this thesis). But considered at the level of power, it did not advocate the ‘opening up’ of the broadcasting institutions to a wider public. On the contrary, their veneration of the journalistic expert would seem likely, if anything, to lead to a strengthening of elite perspectives.

### **The super-Establishment responds**

Benn’s aforementioned 1968 constituency speech on broadcasting became a point of reference for radical reformers but in some circles it was less well received. Three days afterwards, Benn noted in his diary ‘a major row raging over my BBC speech’.<sup>82</sup> The former Labour Minister Ray Gunter was quoted in the press describing it as a ‘frightening statement’,<sup>83</sup> whilst the Shadow Postmaster General, Paul Bryan, said it was evidence that Harold Wilson, who he compared to Hitler, was planning to take over the BBC.<sup>84</sup> Privately, Wilson responded angrily to Benn’s speech, which was repudiated by Richard Crossman in his Granada lecture a few days later.<sup>85</sup> Speaking from the audience, the BBC Director-General Hugh Greene praised Crossman’s remarks whilst dismissing Benn’s speech as ‘silly and trivial’.<sup>86</sup>

The overwrought response set a pattern for media criticism during the 1970s, during which calls for radical reform were met with a mix of right-wing hysteria and liberal condescension. Following the publication of *The People and the Media* in 1974, the chair of the Press Council claimed that the report was evidence of a communist threat in Britain and dismissed the report’s call for editorial processes to be ‘genuinely democratic and genuinely accountable’ as ‘demagogic claptrap’.<sup>87</sup> The industry magazine *Broadcast*, meanwhile, considered the proposals in *The People and the Media* to be impractical and took issue with its politics: ‘It is so strongly based on doctrinaire views about “internal democracy” and concepts of accountability that nobody has bothered to question those beliefs objectively.’<sup>88</sup>

Such ‘doctrinaire views’ may not have been adequately contested, but they were quietly (and effectively) opposed by the more conservative social democrats who controlled the Parliamentary Labour Party. As the comments of Paul Bryan quoted above suggest, the more paranoid reactionaries of this period imagined Harold Wilson a dangerous revolutionary. This, needless to say, was somewhat wide of the mark. Wilson had at various points in his career been associated with the left, but the upsurge in left activism in the party, and beyond, was in no small part a reaction to precisely the kind of ‘pragmatic’, managerial politics that Wilson personified, as well as the failure of his governments to deliver on their disparate promises of socialism and modernisation. On the question of broadcasting, the evidence suggests that after the notorious *Yesterday’s Men* controversy, Wilson found some common cause with conservatives. A BBC record of a 1973 meeting between Wilson and the BBC Chairman Michael Swann suggests that he supported the BBC leadership in resisting pressure for reform. Swann relayed the following to his BBC colleagues:

I went over our arguments, i.e. that a [broadcasting] council without power would only be yet another critical voice, while a council with power would undermine the Governors. [John] Grant said this was ‘swimming against the tide’, but after a good deal of argument, Mr Wilson was, I felt fairly sure, firmly on my side. Indeed, discussion

about the authority of the Governors, the [Director-General] and senior staff seemed to cheer him up no end.<sup>89</sup>

Another revealing file from this period describes a 1975 dinner meeting between Swann and Wilson (by then again Prime Minister), during which they discussed the influence of sixties radicalism at the Corporation. A memo of the conversation states:

Talking about the 'hippie' influences at the BBC, Sir Michael Swann said that, while he would not pretend that the BBC was completely clear of problems of this kind, it was a picnic compared with Edinburgh University [where he had been Vice Chancellor]. Nonetheless he thought too many young producers approached every programme they did from the starting point of an attitude about the subject which could be summed up as: 'You are a shit'. It was an attitude which he and others in the management of the BBC (Sir Michael Swann particularly mentioned Huw Wheldon) deplored, and they would be using their influences as opportunity offered to try to counter it.<sup>90</sup>

The apparent solidarity between Swann and Wilson is perhaps unsurprising when one considers that whatever their differences, both were engaged in similar struggles. Just as Swann sought to counter radicalism in the BBC, so Wilson sought to impose his authority on the left-wingers in his Cabinet, most of all Benn who, he complained, was undermining his efforts 'to rebuild a measure of confidence in industry'.<sup>91</sup> Like other leading figures in the Parliamentary Labour Party, Wilson favoured top-down methods of crisis management over the 'fundamental and irreversible shift in the balance of power and wealth in favour of working people' that had been rashly promised in the February 1974 Manifesto.

Broadcasting under the Labour government of 1974 might have fallen within the purview of Benn's Department of Industry following the dissolution of the Ministry of Posts and Telecommunications that March. However, it was made largely the responsibility of the Home Office under Roy Jenkins (who later left Labour to form the Social Democratic Party). Soon after coming to office, Jenkins announced the establishment of the Committee on the Future of Broadcasting, to be chaired by the wartime intelligence official turned liberal academic, Noel Annan.

Lord Annan had originally been appointed to head a committee on broadcasting by the Labour government in 1970, only for it to be abolished when the Conservatives returned to office that year.<sup>92</sup> The Committee's (re)establishment in April 1974 met a long standing demand for an official inquiry into broadcasting.<sup>93</sup> Indeed, the 76 Group was founded in 1969 specifically to campaign for an inquiry to report in 1976. In the event the Annan Committee published its final report in February 1977. Its major legacy was the expansion of local radio and the establishment of Channel 4 as an independent commissioning channel designed to meet the demand for greater plurality in broadcasting. Annan's recommendation of an Open Broadcasting Authority, which led to the creation of Channel 4, went against the lobbying of ITV companies and the advertising industry, which had long hoped for a second 'independent' channel to reduce advertising costs.<sup>94</sup> In commercial terms it favoured instead the small scale interests represented by the Independent Programmes Producers Association and the Association of Independent Producers. But Annan's recommendations over the long expected fourth channel were not only the result of some effective lobbying by independent producers. What became Channel 4 also represented an institutionalisation of the demand for greater political and cultural representation that came from the post-sixties social movements, as well as reflecting the enduring strength of the public service ideal in the broadcasting industry.<sup>95</sup>

Though Annan was ultimately committed to public service broadcasting, the Committee proved more sympathetic to radical critics than one might have expected. Indeed, Stuart Hall wrote at the time that 'Annan has done better than I either expected or predicted,' noting that the Committee 'seem to have understood some of the unorthodox things being said to it, even if in the end it has taken a safer view.'<sup>96</sup> Amongst those invited to its 25 days of hearings were Stuart Hall and Nicholas Garnham, as well as representatives of the ABS, the ACCT, the TUC and, of course, the National Viewers' and



Listeners Association. The Labour Party also submitted evidence based on the proposals in *The People and the Media*<sup>97</sup> and all such viewpoints seem to have been earnestly considered.

In the opening pages of the report, Annan alluded to the 'change in the climate of opinion' that had taken place in Britain:

The ideals of middle class culture, so felicitously expressed by Matthew Arnold a century ago, which had created a continuum of taste and opinion, always susceptible to change and able to absorb the avant-garde within its own urban, liberal, flexible principles, found it ever more difficult to accommodate the new expression of life in the sixties.<sup>98</sup>

As was noted above, Annan referred to the culture of hostility in the sixties towards 'any institution who were charged with governance'. It also noted that workers had 'demanded that management shared with them the power of taking decisions which affected their lives', whilst the broadcasters, Annan suggested, had failed to respond to this new 'climate' and were believed to be 'insufficiently accountable to the public'.<sup>99</sup> An earlier passage stated:

It has been put to us that broadcasting should be 'opened up'. At present, so it is argued, the broadcasters have become an overmighty subject, an unelected elite, more interested in preserving their own organisation intact than in enriching the nation's culture. Dedicated to the outworn concepts of balance and impartiality, how can the broadcasters reflect the multitude of opinions in our pluralist society?<sup>100</sup>

The BBC in particular came under some considerable criticism. An 'organisational malaise' was said to have taken hold at the Corporation<sup>101</sup> and a 'confusion of purpose'.<sup>102</sup> Its news and current affairs journalism was found to be too narrow and too timid.<sup>103</sup> Despite such criticisms, the Committee's recommendations not only left the BBC intact, but also failed to recommend any substantive structural reform. It was recommended that the BBC produce more engaging and committed political programming, that it maintain a broader network of contacts, increase the specialisation of journalists and introduce 'clearer lines of decision-making' and 'better communication'.<sup>104</sup> In all this though, the onus was placed on the BBC to implement the changes itself. Essentially, the BBC was asked to perform its social role more effectively and with greater sensitivity to the new 'cultural climate', but within the existing framework. As Freedman has observed, the Committee thus 'embraced the need for change without undermining the basic authority of the existing broadcasting organizations and structures'.<sup>105</sup>

Annan's treatment of 'industrial democracy' is particularly revealing of its fundamentally liberal approach. All the trade unions which gave evidence to Annan called for greater worker participation in broadcasting and a number proposed that half the members of the broadcasting authorities should be representatives of workers. Annan rejected the latter proposal, but stated that 'management in broadcasting organisations must accept the principle of industrial democracy and be prepared to make radically new arrangements'.<sup>106</sup> The Committee recommended that the BBC management abandon its 'outmoded system of benevolent paternalism' and urged unions too to 'adjust their traditional attitudes' and adapt to the 'new arrangements'.<sup>107</sup> Significantly though, in advocating the introduction of industrial democracy, Annan made a distinction between managerial and editorial authority, with democratisation to extend to the former, but not the latter.<sup>108</sup> In keeping with Annan's reasoning on news and current affairs, the central communicative function of broadcasting then was to remain the exclusive preserve of editors and producers, whilst democratic decision-making in broadcasting institutions would be restricted to workplace issues that would normally fall within the purview of trade unions. It was a recommendation made in the wake of the Bullock Report and owed more to the prevailing corporatist consensus and to liberal notions of enlightened management and staff consultation, than the radical vision of workers' control that had emanated from organisations like the Free Communications Group.

What of the widespread claim that the broadcasters were misrepresenting organised labour and industrial disputes in particular? Both business lobbies and trade unions had been highly critical in their submissions on this topic. The Committee had, it noted, 'received substantial evidence that there was an inadequacy amounting to a bias in the reporting of industrial and commercial affairs.' Complaints came from business groups like Aims of Industry, the Association of British Chamber of Commerce and the CBI, as well as the Labour Party, the TUC and the broadcasting unions.

The Annan Committee referred in its report to the evidence submitted by academics at the Leicester Centre for Mass Communications and the Glasgow University Media Group. Though claiming to detect 'an initial bias' in the latter, it did not express any doubts as to the veracity of the evidence.<sup>109</sup> Nevertheless, despite apparently conceding the existence of a systemic problem in the coverage of industrial disputes to the disadvantage of workers (though not, Annan noted, a 'deliberate and calculated bias'), the Committee's recommendations on the 'reporting of industrial and commercial affairs' did not ultimately home in on this problem. Instead, Annan focused on what was described as 'a more fundamental shortcoming', namely that 'other aspects of industry or commerce and the world of work as a whole are inadequately covered'.<sup>110</sup> How, Annan reasoned, could the public understand industrial disputes 'if other aspects of industry or commerce and the world of work as a whole are inadequately covered in the news'? The BBC's *Money Programme* was commended for its 'attempts to explained the workings of industry', but production staff generally were criticised for their ignorance of 'the vigorous competitive life at all levels in industry and of the fascinating social structure and manufacturing processes that go to make industry work'.<sup>111</sup> The Committee concluded its consideration of industrial reporting by commending the BBC Governors for pushing for the establishment of a consultative group on business and industry, and recommended that ITN do the same.

### **The response of the BBC leadership**

The more conservative BBC leadership of the 1970s, considered further in the following chapter, showed greater willingness than its predecessors to enter into discussion with its critics on the right, but little willingness to do the same with its radical critics in academia and the labour movement. Such reluctance is certainly not limited to this period, but the political context is important. As we have seen, the New Left activists and many of the media scholars of the 1970s were influenced by Marxist ideas and rejected the democratic legitimacy of 'parliamentarianism' – the ideology to which the BBC appealed for its own legitimacy. This was in a context in which British public life was still permeated with anti-communism. BBC employees were secretly vetted by MI5 and even Labour Ministers were viewed with deep suspicion by elements of the 'deep state'. One would not expect, therefore, that radical theoretical works like those associated with CCCS would receive much attention, let alone an official response from the BBC. But neither did its leadership see it necessary to respond to more empirically informed studies like Schlesinger's *Putting Reality Together*, or the Glasgow Media Group's *Bad News* – which, as we shall see, it would later regret.

The critique of broadcast journalism developed by John Birt and Peter Jay, however, was taken more seriously and 'generated much debate among journalists within the BBC as a whole,' as one BBC paper noted.<sup>112</sup> After Birt and Jay's first article appeared in February 1975, a copy was distributed to the Board of Governors and the News and Current Affairs editors. Though not well received by editors, the Director-General Charles Curran commented that he thought it was 'well worth discussing on its own merits'.<sup>113</sup> In March 1975, Birt and Jay submitted a paper to the Annan Committee entitled, *Television News and Current Affairs – Some Thoughts on the BBC* and also sent the paper to a number of senior figures in the Corporation. In response, the BBC organised a special Colloquy on News and Current Affairs in May 1975 and another in July that year. It included a section dealing specifically with Birt and Jay's criticisms in a detailed paper called *The Task of Broadcasting News*, which was prepared for the General Advisory Council later that year. After considerable discussion, the paper noted in conclusion that: 'BBC journalists do not accept the Birt-Jay diagnosis and the remedies proposed offend against basic principles.'<sup>114</sup>

*The Task of Broadcasting News* was one of a number of policy papers on news and current affairs drafted by the BBC in the 1970s in which it sought to develop intellectual defences of its professional norms and articulate and codify its much debated ‘news values’. In these papers the BBC management rehearsed arguments which were then used in its substantial submissions to the Annan Committee. Its submissions on news and current affairs were, on the whole, conservative and defensive. In considering the alleged shortcomings in news and current affairs, Annan noted that, ‘The BBC made no proposals. They stressed only the drawbacks in the proposals made by others.’<sup>115</sup> In discussion with the Committee about criticisms of broadcasting made by the Glasgow Group, Hall and others, broadcast journalists, according to Annan, expressed ‘resentment, not to say bewilderment’, and insisted that news did not reflect any kind of political agenda.<sup>116</sup> Though, as this comment reveals, there was little substantive engagement with the arguments put forward by critics, there was nevertheless a concerted effort by the BBC to dissuade Annan from introducing what it referred to as ‘external interference in the editorial process’.<sup>117</sup>

As the BBC’s Michael Starks (later a key manager under John Birt) observed: ‘The Annan Committee played a crucial role in channelling ... public concern away from institutional restructuring and towards a strengthening of the existing authorities, while, both in formulating their evidence to the Committee and in responding to its Report, the broadcasting organisations carried out the changes for themselves.’<sup>118</sup> Long before the Annan Report was published, the BBC created the Advisory Committee on the Social Effects of Television, and the Consultative Group on Industrial and Business Affairs. Both bodies were tasked with responding to the dominant concerns of those giving evidence to Annan – sex and violence on television, and the portrayal of industrial unrest respectively – and were created in large part as mechanisms for pre-empting criticism and preventing ‘external interference’. As already noted, the creation of the latter, with which we are most concerned here, won the approval of Annan, though the Committee criticised the BBC for the time it took to establish the group.<sup>119</sup>

What became the Consultative Group on Industrial and Business Affairs (CGIBA) had its origins in the political and economic turmoil of the winter of 1973/4, which had effectively brought down the Heath government. It was in this context of industrial militancy and national crisis that, on 7 February 1974, the BBC Chairman Sir Michael Swann informed the Board of Governors that he planned to discuss with Lord Aldington, the Chairman of the General Advisory Council, the latter’s idea of establishing an industrial sub-committee of the General Advisory Council.<sup>120</sup> A Conservative peer, Lord Aldington served on the board of a number of banks and was close friends with Edward Heath. Two years later he would host the dinner party at which Swann complained to Wilson of ‘hippie influence’.<sup>121</sup> On 21 February, Swann told the Board of Governors that he and Lord Aldington had discussed the idea of establishing an ‘Industrial Relations Consultative Group’. He said the proposed body would provide only informal advice and that the BBC would control its membership. The Director-General Charles Curran was supportive of the idea, though opposition came from the Welsh Governor Tegai Hughes and the poet and author Roy Fuller. Both saw the proposals as a possible threat to the BBC’s autonomy in a politically controversial area. Hughes commented that, ‘Industrial relations were political dynamite in this country.’<sup>122</sup> Nevertheless, the plans went ahead and Curran agreed that he would ‘take a few soundings among editors and senior producers’. Swann commented that ‘the minutes would record a measure of enthusiasm and a measure of unease among Governors.’<sup>123</sup>

The outcome of Swann’s approach to the Governors was two separate weekend conferences in June and July 1974, where managers and trade unionists met separately with BBC programme staff. However, it was agreed at these conferences that no formal advisory mechanism should be established and that the sort of issues an industrial advisory group might consider would best be addressed through informal connections. The Governors discussed the outcome of the conferences in September 1974 and said it would return to the subject in February or March 1975.<sup>124</sup> In the event, the matter was not discussed further, apparently because the Governors were preoccupied with submissions to the Annan Committee. Ironically, it was the Annan Committee which prompted a return to the issue a year later. On 22 October 1975, the BBC General Advisory Council discussed a

paper summarising submissions to the Committee, including a number which had been critical of the Corporation's industrial reporting. The Labour Party, drawing on the arguments rehearsed in *The People and the Media*, called for a democratic restructuring of broadcasting, whilst the unions called for greater access to broadcasting for working people. 'The TUC feels one remedy might lie in giving particular groups or sections of society access to broadcasting on their own terms,' the BBC noted.<sup>125</sup> Whilst the unions called for unmediated access, business lobbyists and pressure groups favoured an advisory group of the kind advocated by Lord Aldington and Michael Swann. A confidential paper written by the BBC's Director of Public Affairs noted that if such a group were created it would 'have to overcome the handicap that, judging from the evidence submitted to Annan, only one side – the CBI and the Association of Chambers of Commerce – is demanding the creation of a new advisory board.'<sup>126</sup> This was not, in the event, a problem. On the contrary the criticism of the CGIBA would come not from the labour movement, but from the right-wing press, who claimed that the BBC was allowing trade unions to influence industrial reporting.<sup>127</sup>

Opposition also came from journalists and producers at the BBC, who remained uneasy that the creation of such a body might undermine their autonomy. Lord Aldington and other members of the General Advisory Council and the Board of Governors, however, remained enthusiastic, and in late 1975 the Board requested a paper on its possible constitution, terms of reference and membership. This was completed by the Director of Public Affairs, Kenneth Lamb, on in December 1975 and subsequently approved by the Board of Management. Lamb noted in the paper the potentially controversial nature of the group:

At the present time the nation is ideologically divided over the relative merits of public and private ownership in industry, over the distribution of rewards and incentives, over the rights and powers which the consumer, the employee and the shareholder should have in relation to management, over the legal framework within which trade union activities should be conducted, and over a number of other issues... Industrial and business affairs now lie at the centre of British politics, and inevitably both managers and trade unionists find themselves playing political or semi-political roles.<sup>128</sup>

Lamb commented that it would be necessary to have 'a Chairman of evident stature' from neither management nor the unions and that it 'would be particularly important that he be totally above suspicion of political partisanship.'<sup>129</sup> He suggested Sir Frank Figgures who had been Chairman of Edward Heath's Pay Board from 1973 to 1974 and was a director of the Swiss bank, Julius Baer. Figgures met senior BBC figures at a cocktail reception on 20 May 1976. However, progress on the establishment of the group remained slow, partly because of the time it took for the TUC to suggest union members. Again it appears to have been a concern to pre-empt external criticism that sped up the process. On 23 August 1976, the BBC's Controller of Information, David Webster, wrote to Frank Figgures suggesting that the make-up of the group be concluded before the Glasgow Media group published *Bad News*:

I have been meditating on our telephone conversation this morning and am now more than ever convinced of the importance of making an early announcement about the membership of the Industrial and Business Affairs Consultative Group. As I think I mentioned to you, the Glasgow Media Group report on coverage of industrial affairs by television news is to be published in book form (with the title 'Bad News' on 9<sup>th</sup> September). It is virtually certain to receive press coverage, and may well provoke controversy, especially at a time when there is little major news about. If the announcement of the setting-up of our Group were to follow publicity of this kind, it might well be represented as a hasty move to appease the critics. None of us would be very happy about that.

If on the other hand we were able to announce the establishment of the Group about a week before publication of the Glasgow University study, we would be in the relatively favourable position of being able to say that the kind of issues raised in it are just the kind of thing which we hope the Group will consider.<sup>130</sup>

Figgures agreed that the formation of the CGIBA should be announced before the publication of *Bad News* and had explained this to the Assistant General Secretary of the TUC Norman Willis who, he said, 'expressed understanding'. According to Figgures, Willis also told him that, 'the TUC also had some reservations' the Glasgow Group's study.<sup>131</sup>

Whilst the BBC's PR men were certainly concerned about *Bad News*, there is no evidence that the BBC genuinely sought to engage with its findings. David Webster's comment that 'the kind of issues raised in it are just the kind of thing which we hope the Group will consider' is significant since in fact the CGIBA were actively discouraged from pursuing such issues by the group's chairman. When the CGIBA met for the first time in November 1976, Britain was once again in a state of economic crisis. Following a sharp decline in the value of sterling, the government had been forced to borrow heavily to shore up the pound, and in September 1976 it approached the IMF for a \$3.9 billion loan. Members of the CGIBA from the management side were clearly anxious about these developments and in discussion they focused mainly on the issue of how reporting might impact on confidence in the British economy, and particularly how its portrayal in the BBC's External Services might impact on trade and investment. Trade unionist members, meanwhile, wanted to discuss the negative portrayal of industrial disputes on BBC programmes. Ken Baker of the GMWU raised the issue of what he called a sensational and trivial focus on picket line incidents, and Norman Willis, having apparently expressed reservations about the findings of the Glasgow study, raised two issues which seem to echo some its findings:

Mr. Willis said that for years people had been saying that Britain faced a complete breakdown in industrial discipline. Yet the fact was that in 1971 and 1973 80% of the industrial plants and establishments in the country didn't have a single dispute. He felt that the real problem to tackle was what objectivity meant and what the BBC's role ought to be in trying to achieve it. He recalled that it was sometimes said by the BBC that in cases where the unions agreed to comment on an industrial dispute, but Management refused, part of the role of a correspondent was to explain Management's view as he understood it. But viewers tended to identify with the interviewer and in those circumstances, Mr. Willis said, he could well understand why Management chose to keep silent. Was this objectivity?<sup>132</sup>

The Group's discussion of industrial disputes and journalistic objectivity, however, was cut short by Figgures:

The Chairman observed that so far the Group seemed to have spent most of its time discussing coverage of industrial disputes. But it was inevitable that the reporting of such disputes should be inadequate, since often the negotiators themselves were not clear what it was all about. He himself did not know of a single dispute where reports in the media reflected the under-lying facts. He did not think that the Group was likely to be able to give the BBC much help on this matter.<sup>133</sup>

Figure's view of strikes as a mystifying phenomenon was reiterated again in a meeting of 4 July 1977 during a discussion of an industrial dispute at Heathrow. After Desmond Taylor commented that in covering strikes 'it was often hard to bring the issues out,' Figgure is recorded as restating his view that: 'it was often nearly impossible for a journalist covering a dispute to discover what the issues were.'<sup>134</sup>

If the role of the CGIBA was not to assist the BBC in its coverage of industrial disputes, what was its proper role? Whilst issues of industrial conflict inevitably arose, the CGIBA was by and large restricted to discussing the difficulties of making the world of work interesting and intelligible to the BBC's audience. Sometimes this meant explicitly looking at industry from the perspective of the business owner. Figgures referred in one meeting, for example, to the need 'to look at the problems of managing a conglomerate,' which he said was, 'a fascinating and difficult problem which was at the same time of enormous interest.'<sup>135</sup> More commonly, however, the group was less explicitly partisan, reflecting the BBC's instincts for a middle ground between the two warring factions within

Britain's workplaces. This tendency was evident in the BBC's growing enthusiasm for what was termed a 'third force' in the CGIBA – that is a section of the membership drawn neither from owners or management nor from organised labour, who would represent 'the public'. The purpose of this 'third force' was to consider industrial and business affairs from the perspective of the consumer and in the case of industrial disputes to consider how the broader public are affected by strikes. This in practice meant not, for example, how the outcome of a particular strike might impact on different sections of the public, but rather how peoples' day to day lives were likely to be disrupted by industrial action. The convenience of this approach from the BBC's perspective was that it implied that its journalism could transcend the issues raised by industrial disputes. The trouble with this approach, as the Annan Committee acknowledged, was that a focus on the duration of an industrial action and the disruption it caused without any substantive examinations of the issues behind a dispute, lends itself easily to anti-union populism leaving capitalist, or managerial, power taken for granted. This characteristic 'denial of politics', as Jean Seaton has termed it,<sup>136</sup> had serious consequences for the BBC's industrial reporting throughout the 1970s. It meant that the BBC tended to implicitly portray working people as irresponsible and disruptive, largely taking for granted the basic inequalities in British society which lay behind the industrial conflicts of the period.

### **Parliamentarianism, professionalism and the liberal social order**

The 1970s was a period of protracted economic and political crisis during which the authority of social institutions and the legitimacy of power relations, both public and private, were increasingly contested. Radical social movements grew in strength, particularly in the first part of the decade, but were met with a backlash from the conservative movement, sections of which not only hoped to curtail the egalitarian movements of the 1960s, but also to radically reconfigure British political economy and political culture. This ambition, importantly, was formed in a context in which the prevailing social democratic order was under considerable strain. After a period of relatively strong growth, corporate profitability had declined and financial markets had become unstable. The British state felt unable to respond to the combined phenomena of unemployment and stagnant growth within existing fiscal and monetary policy frameworks, and was seen as unable to constrain the working class militancy which was, in part, built on the prior successes of the post-war order. This, it should be noted, was not merely a British phenomenon, but the local manifestation of a global crisis. The post-war capitalist international infrastructure, which was based on capital controls and fixed exchange rates, had come under pressure from the internationalisation of production and finance, whilst the decline in profitability and concomitant fiscal crises were experienced throughout the capitalist world. In summary, the prevailing politico-economic order and elite political culture – conventionally referred to as the post-war consensus – was seen to be disintegrating. This crisis was keenly felt by the BBC which was orientated towards and legitimised by the very system that seemed under strain and, as we shall see in the next chapter, fought alongside the capitalist state to contain union militancy as it sought to stem its own 'fiscal crisis' through wage repression. The BBC was, in other words, ideologically wedded to, and institutionally embedded within, the imperilled social democratic order.

The New Left, in the broadest sense of the term, was an attempt, however inchoate, to move beyond the strictures of this social democratic order. So too was the burgeoning New Right, which was making considerable inroads into elite networks. In the area of broadcasting, however, whilst the latter had begun to develop the neoliberal critique that was to dominate the policy agenda from the 1980s, and the field was still dominated by the conservative moralists and the left. The latter, as we have seen in this chapter, attacked the broadcasters for their class bias and argued for democratisation as an alternative to public service paternalism. The response of the BBC leadership to this challenge was to appeal to the 'professionalism' of its editors and the legitimacy of Parliament, to which it was officially accountable.

Burns records the widespread use of the term 'professional' at the BBC in the sixties; a term which he noted was rarely used in the established professions and which had become even more widespread during his second period of observation at the Corporation in 1973. This trend, Burns believed, represented a shift in broadcasting from 'an occupation dominated by the ethos of public service... to

one dominated by the ethos of professionalism, in which the central concern is with the quality of performance in terms of standards of appraisal by fellow professionals'.<sup>137</sup> To Burns, the attempt to develop broadcasting as a profession rather than a public service was in part reflective of broader social changes such as the increased division of labour and the emergence of 'white collar unions'. He also argued, however, that it was part of an attempt by broadcasters to construct a 'moral order' which would endow them with the 'legitimacy and authority' to avoid 'compliance with public or other "outside" demands or claims'.<sup>138</sup> There are many examples of this in the records of the period. The ACTT General Secretary Alan Sapper, for example, recalls that at a TUC conference on 'Trade Unions and the Media', representatives of BBC news denied any systemic bias against organised labour, responding to questions about editorial decision-making with reference to their 'professionalism'.<sup>139</sup> It is also a term appealed to in a number contemporary BBC papers that attempted to codify 'professional and editorial judgement about what is news', in the words of one such document.<sup>140</sup> Another, an internal discussion paper on criticisms of BBC news commissioned by Charles Curran in December 1973, was described as 'a paper for the professionals',<sup>141</sup> whilst a similar paper developed two years later, *The Task of Broadcasting News*, was arranged in two sections: 'The Layman's Anxieties' and 'The Professional's Outlook'.<sup>142</sup>

What Burns acutely observed at the BBC in the '60 and '70s was an example of what today is referred to as 'boundary work'. It was an attempt by an unskilled but privileged occupational group to elevate their working practices to the status of specialist knowledge. Editorial judgements were not political, they were professional – a learned skill not easily grasped by outsiders. In *The Task of Broadcasting News* it was stated that the

news value of a story is what a journalist recognises when he has been brought up in the editorial tradition of a particular newsroom or office. [...] [F]ew journalists would be comfortable if asked to define the terms or even to print them down too precisely. The news value of a story is something immediately recognisable, intuitively sensed by a journalist who has been schooled in provincial or national newsrooms.<sup>143</sup>

This wilful esotericism was certainly an attempt to protect editorial decision-making from scrutiny by 'the layman', but it would nevertheless be an error to consider such appeals to professionalism as a bid for genuine autonomy. For the norms journalists and editors were attempting to 'professionalise' – symbolised by concepts such as objectivity, balance, due impartiality and so on – were not developed freely, but were in reality a set of codified practices formed in negotiation and re-negotiation with elites, principally politicians, to whom journalists and editors were ultimately subordinate.<sup>144</sup> There was little effort to secure meaningful autonomy from the centres of social power, as institutionalised through ministerial powers of appointment, control over the licence fee and Royal Charter, as well as privileged elite access to news and current affairs programming. In short, the ideology of professionalism disguised, even mystified, the BBC's structural subordination to power.

It was in its appeals to parliamentary democracy that the political nature of journalistic professionalism, as understood by the BBC, became most explicit. The BBC's 1975 discussion paper, 'How Should We Broadcast News and Current Affairs?' was typical when it stated: 'of course the BBC totally accepts the need to support and maintain Parliamentary democracy'.<sup>145</sup> Another document stated that 'the parliamentary democracy evolved in this country is a work of national genius to be upheld and preserved,' linking it to the BBC's 'primary constitutional role' as 'a supplier of news and true information'.<sup>146</sup> The link between parliamentary democracy and broadcasting professionalism was made most explicit in, *The Broadcasting of News in the United Kingdom*:

BBC journalists still aim to uphold the same qualities of honesty, accuracy, responsibility and independence [that they did during the Second World War]. They are the qualities at which journalists in Parliamentary democracies have been taught to aim, for the public good and sometimes at considerable cost to themselves for generation after generation. Such responsible journalism rests on the belief that society will, through the institutions of Parliament, cure itself of ills which are brought to its attention...<sup>147</sup>

It was precisely this limited notion of politics and democracy, with its attendant ‘responsible journalism’, that the New Left hoped to supersede, and conversely it was this same *status quo* that the Annan Committee ultimately chose to defend. Though, as has been argued, Annan’s recommendations on the fourth channel represented a concession to popular movements, the radical critiques of broadcasting outlined here, and the more radical proposals with which they were associated, were roundly rebuffed by the Annan Committee. As Hall argued at the time, ‘the chimera of balance, impartiality and objectivity [remains] intact in exactly the areas where it really serves as a strait-jacket on vigorous broadcasting: in the heartland of the system’.<sup>148</sup> The Annan Committee was unanimous in its belief that ‘who determines what shall be said or transmitted, or who shall be asked to appear on television and radio programmes, is ultimately a matter for the Authorities and management to decide.’<sup>149</sup> In dealing with the arguments presented to it by the radical critics of broadcasting, it firmly rejected the possibility of any alternative arrangement.<sup>150</sup> Annan claimed that such perspectives

seemed to suggest that broadcasters, as in totalitarian countries, should consistently disseminate some particular message or some political and social philosophy. Or that broadcasters should eschew the parliamentary democracy on which the country is based. We reject such notions.<sup>151</sup>

That Annan, for all its perspicacity, saw no contradiction in insisting that broadcasters must promote ‘parliamentary democracy’ but should not ‘disseminate some particular message or some political and social philosophy’ is revealing of how deeply committed elites of this period were to the very social order that the sixties movements had called into question. Annan was certainly willing to make concessions to non-elite groups, to encourage their better representation by broadcasters, and even their involvement in decision-making. But the Committee was plainly not willing to endorse measures which could undermine the power and authority of institutions ‘charged with governance’. For Annan, as for the BBC leadership, the broadcasters were trusted professionals whilst the BBC as an institution was by definition democratic since it was sanctioned by Parliament.<sup>152</sup> The Committee was certainly aware that in taking this position it was in direct opposition to radical social movements. In delivering the Granada lecture in July 1977, Lord Annan gave a belated riposte to Benn’s much quoted idiom, saying: ‘Do not let anyone tell you that broadcasting is too important to be left to the broadcasters.’<sup>153</sup>

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<sup>1</sup> Second Report from the Select Committee on Nationalised Industries Session 1971-72. Independent Broadcasting Authority (formerly Independent Television Authority) (London: HM Stationery Office, 1973), xxi, para.142.

<sup>2</sup> National Archives, HO 245/87 Committee on The Future of Broadcasting (1974-1977): Minutes, Evidence and Papers. Copies of Evidence. British Broadcasting Corporation. BBC Memorandum: The BBC and the Public, British Broadcasting Corporation, April 1975.

<sup>3</sup> Siân Nicholas, ‘The People’s Radio: The BBC and its Audience, 1939-1945,’ in *Millions Like Us: British Culture in the Second World War*, eds. Jeff Hayes and Nick Hill (Liverpool: Liverpool University Press, 1999), 63.

<sup>4</sup> Michael Balfour, *Propaganda in War, 1939-1945* (London: Routledge and Kegan Paul, 1979). Ian McLaine, *Ministry of Morale* (London: Allen and Unwin, 1979). Siân Nicholas, *The Echo of War: Home Front Propaganda and the Wartime BBC* (Manchester: Manchester University Press, 1996).

<sup>5</sup> *Report of the Committee on the Future of Broadcasting* (HM Stationery Office, 1977), 14.

<sup>6</sup> James Curran, a player in this history as well as one of the leading scholars of the British media, recalled in an interview the ‘mood of dissatisfaction with the ‘middle-brow’, Oxbridge, male elites’ and the ‘cosy, complacent, condescending, establishment of broadcasting.’ He relayed the following anecdote which illustrates the BBC leadership’s alienation from post-sixties British society: ‘I remember – one forgets the dates – I had dinner with a very nice man, who was Alastair Milne – this is later right, the early eighties... So I invited him to come to Goldsmiths. And I felt kind of responsible because I had behaved badly at the dinner party, so I said, ‘Come along’. ... And of course my students behaved really badly. The place was absolutely packed and the time came for



questions and I said, 'Has anyone got any questions?' And that went on for about half an hour. Like: 'Why is it you only have Oxbridge people? 'Why are they only white? 'Why are they only men?' 'How can you claim to represent the nation?' In the end, in desperation, I turned to a person at the back who was wearing a suit and I thought, 'At last! He will ask a question on something else.' ... Alistair Milne had brought with him a whole praetorian guard of senior broadcasters. It was like an away day and they were going to bask in the approval of people admiring the way they were defending broadcasting independence against a right-wing government. And they had no idea that this was the kind of reception they were going to get.' (Interview with James Curran, 2 March 2011.)

<sup>7</sup> BBC Written Archives Centre, T62/97/1 News and Current Affairs Policy Coverage General 1968-1976, John Grist, memo to C.BBC1 (copied to C.P. tel. ENCA and C.BBC2), 17 December 1968.

<sup>8</sup> Lin Chun, *The British New Left* (Edinburgh University Press, 1993), 108.

<sup>9</sup> *Ibid.*

<sup>10</sup> Adam Lent, *British Social Movements Since 1945: Sex, Colour, Peace and Power* (Basingstoke: Palgrave Macmillan, 2002), 42.

<sup>11</sup> Chun, *The British New Left*, xiii.

<sup>12</sup> Robert Taylor, *The Trade Union Question in British Politics: Government and the Unions Since 1945* (Oxford: Blackwell, 1993), 1-4.

<sup>13</sup> John Bellamy Foster and Robert W. McChesney, 'The Cultural Apparatus of Monopoly Capital: An Introduction,' *Monthly Review* 65 no.3 (2013), <http://monthlyreview.org/2013/07/01/the-cultural-apparatus-of-monopoly-capital>.

<sup>14</sup> Miliband, *The State in Capitalist Society*, 211.

<sup>15</sup> *Ibid.*, 209. Miliband's relatively brief critique of the BBC in *The State in Capitalist Society* was extended in *Capitalist Democracy in Britain* (Ralph Miliband, *Capitalist Democracy in Britain* (Oxford University Press, 1982), 79-84.)

<sup>16</sup> Bellamy Foster and McChesney, 'The Cultural Apparatus of Monopoly Capital: An Introduction'.

<sup>17</sup> Chun, *The British New Left*, 110-1.

<sup>18</sup> Stuart Hall, 'Life and Times of the First New Left', *New Left Review* 61 (January-February 2010).

<sup>19</sup> Thompson, 'On the Trail of the New Left,' *New Left Review* 215 (January-February 1996): 93-100.

<sup>20</sup> Michael Burawoy, 'The Critical Turn to Public Sociology,' *Critical Sociology* 31 no.3 (2005), 315.

<sup>21</sup> Geoffrey Pearson and Ian Sinclair, 'Respectable Fears Resurface: Reaction to the Riots', *New Left Project*, 15 September 2011, accessed 27 December 2014, [http://www.newleftproject.org/index.php/site/article\\_comments/respectable\\_fears\\_resurface\\_reaction\\_to\\_the\\_riots](http://www.newleftproject.org/index.php/site/article_comments/respectable_fears_resurface_reaction_to_the_riots)

<sup>22</sup> A. H. Halsey, *A History of Sociology in Britain* (Oxford: Oxford University Press, 2004), 117.

<sup>23</sup> see for example Maurice Cowling, *Mill and liberalism* (Cambridge: Cambridge University Press, 1990), xxxi, and Max Beloff, 'What Lies Behind The Student Unrest,' *The Times*, 5 June 1968, 9.

<sup>24</sup> Bellamy Foster and McChesney, 'The Cultural Apparatus of Monopoly Capital: An Introduction'.

<sup>25</sup> David Morley, 'Introduction: The news from Brummejum: how media studies got culture (with a Birmingham accent),' in *CCCS Selected Working Papers Volume 2*, eds. Ann Gray et al. (London: Routledge, 2007), 264.

<sup>26</sup> *Ibid.*, 261.

<sup>27</sup> Charlotte Brunsdon and David Morley, *The Nationwide Television Studies* (London: Routledge, 1999), 5.

<sup>28</sup> Roger Dickinson, 'Obituary: Jim Halloran,' *Guardian*, 3 July 2007, accessed 29 December 2014, <http://www.theguardian.com/news/2007/jul/03/guardianobituaries.obituaries>.

<sup>29</sup> On which see James Curran, 'The Rise of the Westminster School,' in *Toward a Political Economy of Culture: Capitalism and Communication in the Twenty-First Century*, eds. Andrew Calabrese and Colin Sparks (Lanham, MD: Rowman and Littlefield, 2003), 13-40.

<sup>30</sup> Graeme Turner, *British Cultural Studies, An Introduction* 3<sup>rd</sup> Edition (London: Routledge, 2004), 63-6.

<sup>31</sup> Birmingham member David Morley has pointed out that the evidential advantages enjoyed by the Glasgow Group were predicated on the fact that it had received significant funding from the Social Science Research Council, whilst the Birmingham Media Working Group operated without any

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recording equipment and relied therefore on live viewing and note taking. See Morley, 'The news from Brummejum', 266.

<sup>32</sup> BBC Written Archives Centre, T62/97/1 News and Current Affairs Policy Coverage General 1968-1976 Aubrey Singer, memo to E.N.C.A through D.P.Tel, 8 May 1972.

<sup>33</sup> *Committee on the Future of Broadcasting*, 268.

<sup>34</sup> Louis Heren, 'Reviews: Grey areas More Bad News Volume 2 of Bad News By Glasgow University Media Group,' *The Times*, 15 May 1980, 17.

<sup>35</sup> Adrian Quinn, 'Contrary to claims, conventions and culture: An apologia for the Glasgow University Media Group,' *International Journal of Media and Cultural Politics* 3 no.1 (2007): 5-24.

<sup>36</sup> Born, *Uncertain Vision*, 200.

<sup>37</sup> Quinn, 'An apologia for the Glasgow University Media Group'. Philip Schlesinger would later recall that following the publication of *Putting 'Reality' Together* he 'was not exactly *persona grata*' at the BBC and at one stage met a senior editor at Television Centre who was carrying a copy of the book 'under his arm, carefully wrapped in a brown paper bag.' See Schlesinger, *Putting 'Reality' Together*, xxxi. See also the further evidence in Quinn's article and the references to *Bad News* at News and Current Affairs meetings detailed in Chapter 5.

<sup>38</sup> For an account of the Labour Party 'parliamentarianism' see Byron Sheldrick, 'The British Labour Party: In Search of Identity Between Labour and Parliament,' in *Social Democracy after the Cold War* eds. Bryan Evans and Ingo Schmidt (Edmonton: Athabasca University, 2012), 149-182.

<sup>39</sup> Leo Panitch and Colin Leys, *The End of Parliamentary Socialism: From New Left to New Labour* (London: Verso, 2001).

<sup>40</sup> Chun, *The British New Left*, 121-2.

<sup>41</sup> Thompson, 'On the Trail of the New Left, 93-100.

<sup>42</sup> Hugh Scanlon, *The Way Forward for Workers' Control*, IWC Pamphlet Series No.1, 31 March 1968.

<sup>43</sup> Robert Taylor, *The TUC: From the General Strike to New Unionism* (London: Palgrave, 2000), 205-8.

<sup>44</sup> Ben Clift, Andrew Gamble and Michael Harris, 'The Labour Party and the Company', in *The Political Economy of the Company*, eds. Ben Clift, Andrew Gamble and Michael Harris (Oxford: Hart, 2000), 70.

<sup>45</sup> Michael Barratt Brown, 'The Institute for Workers' Control,' in *Resist Much, Obey Little*, ed. Tony Simpson, (Spokesman, 2012), 51.

<sup>46</sup> Labour Party Conference Report (1973), 164-5. Cited in Ben Clift, Andrew Gamble and Michael Harris, 'The Labour Party and the Company', in *The Political Economy of the Company*, eds. Ben Clift, Andrew Gamble and Michael Harris (Oxford: Hart, 2000), 73.

<sup>47</sup> Michael Barratt Brown, 'The Institute for Workers' Control,' *Resist Much, Obey Little*, ed Tony Simpson (Spokesman, 2012), 50.

<sup>48</sup> Freedman, 'Modernising the BBC,' 21-40.

<sup>49</sup> Quoted in Philip Rawstorne, 'Political role of BBC must be reformed,' *Guardian*, 19 October 1968, 1.

<sup>50</sup> Panitch and Leys, *End of Parliamentary Socialism*, 48-9.

<sup>51</sup> Interview with Tony Benn, 3 February 2011.

<sup>52</sup> 'Voice for the people,' *Guardian*, 9 February 1972, 12.

<sup>53</sup> Panitch and Leys, *End of Parliamentary Socialism*, 59-60.

<sup>54</sup> Alan Sapper, 'Opening the Box – the Unions inside Television,' in *Trade Unions and the Media - Critical Social Studies*, eds. Peter Beharrell and Greg Philo (London: Macmillan, 1977), 84-92.

<sup>55</sup> *One Week: A survey of TV coverage of union and industrial affairs in the week January 8-14 1971*, (London: Association of Cinematographic and Television Technicians, TV Commission, 1971)

<sup>56</sup> Sapper, 'Opening the Box,' 84-92.

<sup>57</sup> *Ibid.*

<sup>58</sup> Nicholas Garnham, 'A personal intellectual memoir,' *Media, Culture and Society* 27 no.4, 472-3.

<sup>59</sup> Morley, 'The news from Brummejum', 264.

<sup>60</sup> Michael Hatfield, 'New magazine hits out,' *The Times*, 5 July 1969, 8.

<sup>61</sup> Leonard Beaton, 'Who should control press and television?,' *The Times*, 17 July 1969, 10

- <sup>62</sup> Des Freedman, *Television Policies of the Labour Party, 1951-2001* (London: Frank Cass, 2003), 74.
- <sup>63</sup> Sapper, 'Opening the Box', 84.
- <sup>64</sup> Freedman, *Television Policies of the Labour Party*, 74.
- <sup>65</sup> *The People and the Media: The Report of a Labour Party Study Group on the Relationships Between the People, the Press and Broadcasting* (Labour Party, 1974), 8.
- <sup>66</sup> Freedman, *Television Policies of the Labour Party*, 82-3.
- <sup>67</sup> Interview with James Curran, 2 March 2011.
- <sup>68</sup> Garnham, 'A personal intellectual memoir,' 473.
- <sup>69</sup> *The People and the Media*, 4.
- <sup>70</sup> Interview with James Curran, 2 March 2011.
- <sup>71</sup> Des Freedman, 'What use is a public inquiry? Labour and the 1977 Annan Committee on the Future of Broadcasting,' *Media Culture and Society* 23 no.2 (2001): 195-211.
- <sup>72</sup> Martin Durham, *Sex and Politics: The Family and Morality in the Thatcher Years* (London: Macmillan, 1991), 9.
- <sup>73</sup> Amy C. Whipple, 'Speaking for Whom? The 1971 Festival of Light and the Search for the "Silent Majority",' *Contemporary British History* 24 no.3 (2010): 327.
- <sup>74</sup> Durham, *Sex and Politics*, 94-5.
- <sup>75</sup> Mary Whitehouse, *Whatever happened to sex?* (Hove: Wayland, 1977), 17.
- <sup>76</sup> Keith Joseph, Speech at Edgbaston ('our human stock is threatened'), 19 October 1974, accessed 27 December 2014, <http://www.margareththatcher.org/document/101830>. Thatcher followed Joseph in emphasising the need for moral regeneration as well as economic recovery and during the 1979 election campaign promised Whitehouse her government would introduce new laws on 'indecentcy'. (Matthew Grimley, 'Thatcherism, morality and religion,' in *Making Thatcher's Britain*, eds. Ben Jackson and Robert Saunders (Oxford University Press, 2012), 82-88. Douglas Hurd writes of Thatcher: 'the Prime Minister, though a free marketer, was no libertarian. She felt a strong sympathy for Mrs Whitehouse, then just past the peak of her campaign against violence and sex on television. Margaret Thatcher favoured a strong new law against obscenity. In particular she wanted to retain, or even strengthen, the existing regulations on the content of broadcasting.' (Douglas Hurd, *Memoirs* (London: Little, Brown, 2003), 332.)
- <sup>77</sup> Monetarism is a school of macro-economic theory which argues, in opposition to Keynesian models, that inflation is caused by an excessive expansion of the monetary supply. It is particularly associated with the leading neoliberal economist Milton Friedman and the Monetarist School can therefore be understood as a subset of the neoliberal thought collective. For a discussion of monetarism and counter-inflationary policy in the Thatcher era, see Jim Tomlinson, 'Thatcher, monetarism and the politics of inflation,' in *Making Thatcher's Britain* eds. Ben Jackson and Robert Saunders (Oxford University Press, 2012), 62-77.
- <sup>78</sup> John Birt, 'Broadcasting's journalistic bias is not a matter of politics but of presentation,' *The Times*, 28 February 1975, 14.
- <sup>79</sup> John Birt and Peter Jay, 'Why television news is in danger of becoming an anti-social force', *The Times*, 3 September 1976, 6.
- <sup>80</sup> John Birt and Peter Jay, 'Television journalism: The child of an unhappy marriage between newspapers and film,' *The Times*, 30 September 1975, 12.
- <sup>81</sup> John Birt, 'Broadcasting's journalistic bias is not a matter of politics but of presentation,' *The Times*, 28 February 1975, 14.
- <sup>82</sup> Tony Benn, *The Benn Diaries: 1940-1990* (London: Random House, 2013), 196.
- <sup>83</sup> George Clark, 'Gunter broadside at Benn's "frightening" attack on BBC,' *The Times*, 21 October 1968, 1. John Desborough, 'MPs join row over Benn,' *Daily Mirror*, 21 October 1968, 32.
- <sup>84</sup> *Ibid.*
- <sup>85</sup> Kenelm Jemour, "'Silly" Benn speech rapped by BBC chief', *Daily Mirror*, 22 October 1968, 1.
- <sup>86</sup> *Ibid.*
- <sup>87</sup> 'Shawcross challenge on editorial "democracy"', *The Times*, 4 October 1974, 10.
- <sup>88</sup> Cited in Freedman, *Television Policies of the Labour Party*, 87.

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- <sup>89</sup> BBC Written Archives Centre, R78/1,826/1. M. Swann (1973), Note by the chairman on a lunch with Harold Wilson on March 20, written March 21. Cited in Freedman, *Television Policies of the Labour Party*, 84-5.
- <sup>90</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Note of dinner hosted by Lord Aldington attended by Harold Wilson, R.T. Armstrong and Sir Michael Swann. Huw Wheldon, in addition to being one of the most influential personalities in BBC television, was also the closest friend of the influential American neoconservative Norman Podhoretz. See Norman Podhoretz, 'On the death of a friend,' *The Times*, 22 March 1986, 8.
- <sup>91</sup> Dominic Casciani, 'Benn-Wilson animosity laid bare,' BBC News, 1 January 2005, accessed 27 December 2014, [http://news.bbc.co.uk/1/hi/uk\\_politics/4132603.stm](http://news.bbc.co.uk/1/hi/uk_politics/4132603.stm)
- <sup>92</sup> Asa Briggs, *The History of Broadcasting in the United Kingdom: Volume IV: Sound and Vision* (London: Oxford University Press, 1979), 884.
- <sup>93</sup> Garnham notes that the call for an official inquiry was particularly strong amongst the more liberal advocates of media reform, but that more radical voices also endorsed the call, largely for tactical reasons. (Nicholas Garnham, *Structures of Television* (Revised Edition) (London: British Film Institute, 1978), 47.)
- <sup>94</sup> Christian Potschka, *Towards a Market in Broadcasting: Communications Policy in the UK and Germany* (Basingstoke and New York: Palgrave Macmillan, 2012), 87.
- <sup>95</sup> For an account of the establishment and development of Channel 4 see Peter Catterall, ed., *The Making of Channel 4* (London: Frank Cass, 1999).
- <sup>96</sup> Stuart Hall, 'The Report of the Committee on the Future of Broadcasting,' *Higher Education Quarterly*, 31 no.3 (1977): 264-5.
- <sup>97</sup> A full list of those who submitted evidence to the inquiry was published by the committee as Appendix A, see *Committee on the Future of Broadcasting*, 499-507.
- <sup>98</sup> *Committee on the Future of Broadcasting*, 14.
- <sup>99</sup> *Ibid.*, 32.
- <sup>100</sup> *Ibid.*, 16.
- <sup>101</sup> *Ibid.*, 124.
- <sup>102</sup> *Ibid.*, 265.
- <sup>103</sup> *Ibid.*, 288.
- <sup>104</sup> *Ibid.*, p.124.
- <sup>105</sup> Freedman, *Television Policies of the Labour Party*, 101.
- <sup>106</sup> *Committee on the Future of Broadcasting*, 428.
- <sup>107</sup> *Ibid.*, 429.
- <sup>108</sup> *Ibid.*, 429.
- <sup>109</sup> *Ibid.*, 272.
- <sup>110</sup> *Ibid.*, 272-3.
- <sup>111</sup> *Ibid.*, 272-3.
- <sup>112</sup> BBC Written Archives Centre, R78/1,204/1 NEWS POLICY, *The Task of Broadcasting News*, revised draft paper for the General Advisory Council, 11 December 1975.
- <sup>113</sup> BBC Written Archives Centre, News and Current Affairs minutes, 7 March 1975.
- <sup>114</sup> R78/1,204/1 NEWS POLICY, *The Task of Broadcasting News*, revised draft paper for the General Advisory Council, 11 December 1975.
- <sup>115</sup> *Committee on the Future of Broadcasting*, 285.
- <sup>116</sup> *Committee on the Future of Broadcasting*, 276-7.
- <sup>117</sup> BBC Written Archives Centre, R78/1,204/1 NEWS POLICY, *The Task of Broadcasting News*, revised draft paper for the General Advisory Council, 11 December 1975.
- <sup>118</sup> Michael Starks, 'Government Review of Broadcasting 1974-81: Outcome and Expectations,' *The Political Quarterly* 52 (October 1981): 467-481.
- <sup>119</sup> *Committee on the Future of Broadcasting*, 120.
- <sup>120</sup> BBC Written Archives Centre, Board of Governors Meeting, 7 February 1974
- <sup>121</sup> Cited in Press Association, 'How the BBC fought 'hippie influence' in the 70s', *MediaGuardian*, 29 December 2005, accessed 27 December 2014, <http://www.guardian.co.uk/media/2005/dec/29/politics.bbc>.

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- <sup>122</sup> BBC Written Archives Centre, Board of Governors Meeting, 21 February 1974.
- <sup>123</sup> *Ibid.*
- <sup>124</sup> BBC Written Archives Centre, R78/3343/1 Consultative Group on Industrial and Business Affairs: constitution and terms of reference, Memo from James Morris to Charles Curran, 31 March 1977.
- <sup>125</sup> BBC Written Archives Centre, R78/3343/1 Consultative Group on Industrial and Business Affairs: constitution and terms of reference, Consultative Group on Industrial and Business Affairs. A Proposal for Consideration, 10 December 1975.
- <sup>126</sup> *Ibid.*
- <sup>127</sup> e.g. 'BBC in Error,' *Sunday Telegraph*, 11 April 1976, 18.
- <sup>128</sup> BBC Written Archives Centre, R78/3343/1 Consultative Group on Industrial and Business Affairs: constitution and terms of reference, Consultative Group on Industrial and Business Affairs. A Proposal for Consideration, 10 December 1975.
- <sup>129</sup> BBC Written Archives Centre, R78/3343/1 Consultative Group on Industrial and Business Affairs: constitution and terms of reference, Memo from James Morris to Charles Curran, 31 March 1977.
- <sup>130</sup> BBC Written Archives Centre, R78/3343/1 Consultative Group on Industrial and Business Affairs: constitution and terms of reference, David Webster, Letter to Sir Frank Figgures, 23 August 1976.
- <sup>131</sup> BBC Written Archives Centre, R78/3343/1 Consultative Group on Industrial and Business Affairs: constitution and terms of reference, Brian Parker, Note of a telephone conversation with Sir Frank Figgures, 27 August 1976.
- <sup>132</sup> BBC Written Archives Centre, R78/3343/1 Consultative Group on Industrial and Business Affairs: constitution and terms of reference, BBC Consultative Group on Industrial and Business Affairs Minutes, 8 November 1976.
- <sup>133</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 – 1980 BBC Consultative Group on Industrial and Business Affairs Minutes, 8 November 1976.
- <sup>134</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 – 1980 BBC Consultative Group on Industrial and Business Affairs Minutes, 4 July 1977.
- <sup>135</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 – 1980 BBC Consultative Group on Industrial and Business Affairs Minutes, 30 January 1978.
- <sup>136</sup> James Curran and Jean Seaton, *Power Without Responsibility: The Press and Broadcasting in Britain*. Fifth Edition (London: Routledge, 1997), 112-127.
- <sup>137</sup> Burns, *The BBC*, 126.
- <sup>138</sup> *Ibid.*, 126. For a discussion of professionalism and the BBC's relationship with its audience see also Ien Ang, *Desperately Seeking the Audience* (London and New York: Routledge, 2006), 108-120.
- <sup>139</sup> Sapper, 'Opening the Box,' 84-92.
- <sup>140</sup> BBC Written Archives Centre, T62/97/1 News and Current Affairs Policy Coverage General 1968-1976. How Should We Broadcast News and Current Affairs? Discussion Paper by Chief Assistant to the Director-General, 8 July 1975.
- <sup>141</sup> BBC Written Archives Centre, R78/1,204/1 NEWS POLICY, *BBC News (Domestic)*.
- <sup>142</sup> BBC Written Archives Centre, R78/1,204/1 NEWS POLICY, *The Task of Broadcasting News*, revised draft paper for the General Advisory Council, 11 December 1975.
- <sup>143</sup> *Ibid.*
- <sup>144</sup> That the professional codes developed by the BBC in this period were essentially an articulation of existing practices rather than normative principles was accepted by the BBC. In a meeting of the General Advisory Council in 1971, for example, Charles Curran described the latest draft of Principles and Practice in News and Current Affairs as 'to a large extent a synthesis of practical experience, because broadcasting policy itself was based on experience.' The paper went on to explore how BBC journalists had dealt with various political controversies, developing 'case law' in a manner analogous to the British common law system. See BBC Written Archives Centre, R78/2505/1 News and Current Affairs – Principles and Practice. Meeting of the General Advisory Council, 21 April 1971.

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<sup>145</sup> BBC Written Archives Centre, T62/97/1 News and Current Affairs Policy Coverage General 1968-1976. How Should We Broadcast News and Current Affairs? Discussion Paper by Chief Assistant to the Director-General, 8 July 1975.

<sup>146</sup> BBC Written Archives Centre, R78/1,204/1 NEWS POLICY, *The Task of Broadcasting News*, revised draft paper for the General Advisory Council, 11 December 1975.

<sup>147</sup> *Ibid.*

<sup>148</sup> Hall, 'The Report of the Committee on the Future of Broadcasting', 272.

<sup>149</sup> *Committee on the Future of Broadcasting*, 429.

<sup>150</sup> *Ibid.* 277.

<sup>151</sup> *Ibid.* 278.

<sup>152</sup> Indeed, Lord Annan was quite explicit about this. As Des Freedman notes, he stated in a lecture in November 1977 that the introduction of new representative bodies to govern broadcasting would constitute 'an attack upon the power of the Minister and Parliament.' Lord Annan, 'The Politics of Broadcasting', Encyclopaedia Britannica Lecture, Edinburgh University, 7 November 1977, 25. Freedman, *Television Policies of the Labour Party*, 87.

<sup>153</sup> quoted in Kenneth Gosling, 'Annan plea for highest broadcasting standards,' *The Times*, 5 July 1977, 3.

### Chapter 3

#### **‘A little less freedom’: The BBC in the 1970s**

What do we lose? The answer is a little bit of our freedom. ... And why? Well, in the end one regrets it because the attempt at ‘control’ is not to do with viewers; it is to do with the Corporation’s own politics of survival.

– Aubrey Singer, memo to Editor, News and Current Affairs, 8 May 1972.<sup>1</sup>

[O]nce the additional licence holders and [the] source of additional revenue started to dry up, then the licence fee became a bigger and bigger political issue. Therefore it mattered very much what the government thought about you and you couldn’t rely on the general reputation. You had to please the government.

– Michael Bett, BBC Director of Personnel, 1977–81.<sup>2</sup>

The last chapter detailed the BBC’s relationship with radical social movements and how it dealt with pressures for reform, as mediated through the Annan Committee. This chapter focuses on the BBC’s relationship with the government during the same period and, building on some of the analysis in the previous chapter considers the internal politics of the Corporation, particularly the increased conflict between staff and the BBC leadership. It describes how changes in senior personnel, institutional restructuring, and particularly increased financial pressure, reduced the freedom of BBC programme makers, containing the influence of political radicalism and workers’ activism. It is argued that these interrelated systemic changes at the BBC were internal manifestations of external pressure brought to bear on the Corporation by political elites. This, it is suggested, illustrates the extent to which the BBC as an institution is ultimately subordinate to political elites, but it also points to how power relations are concretely reflected through working practices which may appear to be, and indeed be experienced as, largely autonomous. The chapter begins with a brief account of the cultural changes that the BBC underwent during the early 1960s, including a critical assessment of the political significance of those changes. This is followed by an account of how a more conservative leadership at the BBC subsequently sought to curtail the influence of liberal and radical politics from 1967 onwards. We then consider in some detail the financial context in which the BBC operated during the 1970s, focusing on the imposition of harsh licence fee settlements which were part of the government’s strategy of driving down real wages in response to financial crisis. The chapter concludes with an assessment of what this period of financial austerity tells us about the independence of the BBC and its position in British society.

#### **A Golden Age?**

The 1960s saw a shift in culture at the BBC towards a less austere, less formal style of broadcasting. Programme makers produced socially conscious dramas which sought to represent the lives of working class people, as well as satirical shows displaying a certain irreverence towards authority. Hugh Greene, who was Director-General of the BBC from 1959 to 1969, writes that in the late 1950s, ‘The BBC seemed to be a pillar of the Establishment’<sup>3</sup> but that by the sixties a ‘new and younger generation was in control and there was a remarkable flowering of production and writing talent.’<sup>4</sup> This upsurge in creativity also had a political significance. As Stuart Hood, who was then Controller of Programmes, Television recalled, BBC programmes in this period for the first time attacked ‘some of the sacred cows of the Establishment – the monarchy, the church, leading politicians and other previously taboo targets’.<sup>5</sup> The changes that the BBC underwent in the 1960s are partly attributable to the establishment of commercial television in 1955 – having lost its monopoly the BBC was forced to innovate in order to restore its audience share and maintain its legitimacy. But the changes were also a reflection of social change. Relative prosperity, technological innovation and full employment,

combined with Britain's decline as an imperial power created a climate in which political, social and cultural norms were increasingly challenged – especially by the new generation of economically independent young adults. The BBC under Greene's leadership to some extent reflected the liberal, progressive zeitgeist. For this Greene was attacked by conservatives, including in the right-wing press and the Conservative Party, and most notably by Mary Whitehouse's National Viewers and Listeners Association, which as was detailed in the last chapter, blamed the media, and television in particular, for a host of perceived social problems.

Greene was certainly no friend of social conservatives, but in some ways he was a classic Establishment figure. A privately educated Oxford graduate, he had worked at the *Daily Telegraph* before the war, after which he was a Controller of Broadcasting in the British Occupied Zone in Germany – 'a journalist and psychological warrior' by his own account.<sup>6</sup> He became head of the BBC's Eastern Europe service in 1949 where he said his role was 'to pillory the Communist regime and display it as being ridiculous as well as cynical and evil.'<sup>7</sup> A year later he was seconded by the BBC to the Colonial Office where he was appointed head of propaganda for Harold Briggs, the British General overseeing a ruthless counterinsurgency campaign in Malaya. Greene's mission there was to 'attack the morale' of the resistance, 'drive a wedge between the leaders and the rank and file' and to create 'an awareness of the values of the democratic way of life which is threatened by International Communism.'<sup>8</sup> Later, as Director-General, Greene pushed for MI5 to extend its vetting of BBC staff – a request rejected by MI5, backed by the Home Office.<sup>9</sup>

Whilst Greene's background testifies to the fact that he was not the political radical his conservative detractors imagined, equally he was no reactionary. Probably best described as a liberal anti-communist, he embraced some aspects of the progressive, egalitarian politics of the 1960s. In one famous statement he seemed to commit the BBC to championing social justice and racial equality, saying:

There are some respects in which [the BBC] is not neutral, unbiased or impartial. That is, where there are clashes for and against the basic moral values – truthfulness, justice, freedom, compassion, tolerance. Nor do I believe that we should be impartial about certain things like racialism or extreme forms of political belief.<sup>10</sup>

On another occasion Greene proclaimed that for the BBC, 'A man who speaks in favour of racial intolerance cannot have the same rights as the man who condemns it.'<sup>11</sup> Greene's successor, Charles Curran, would later write that this 'declaration' had 'been over-interpreted' and argued that BBC programmes on apartheid South Africa 'must include a justification of those policies.'<sup>12</sup>

Greene's anti-racist stance was probably the most radical manifestation of his broadcasting ethos. His commitment to 'encourage the examination of views and opinions with an attitude of healthy scepticism'<sup>13</sup> was probably more indicative. One of the most fondly remembered sceptical, even irreverent, programmes produced by Greene's BBC was the satirical current affairs programme *That Was The Week That Was* (TW3), first broadcast in November 1962. TW3 was spun-off from *Tonight*, which was broadcast between 1957 and 1965 and described as 'lightly sceptical' by Crisell.<sup>14</sup> The BBC producer Grace Wyndham Goldie, who launched *Tonight*, claimed that it worked under the assumption that, 'It was not always necessary to be respectful; experts were not invariably right; the opinions of those in high places did not have to be accepted.'<sup>15</sup> TW3 took this light scepticism a step further and in doing so provoked some considerable flak from sections of the political elite. One Conservative Party official condemned the show as 'left wing, socialist and pacifist'<sup>16</sup> and the future Prime Minister Edward Heath is said to have blamed it for the 'death of deference' in Britain.<sup>17</sup> Hugh Greene later wrote that TW3 'became the symbol for the BBC's new look. It was frank, close to life, analytical, impatient of taboos and cant and often very funny.'<sup>18</sup> Though undoubtedly significant in terms of stylistic innovation, the political significance of TW3's irreverent style is also questionable. As Stuart Hood noted, the show's satirical content never presented any genuine threat:



*TW3* was only 'radical' in the choice of its targets. Its politics were those of insiders who understood the mechanisms of the Establishment and were prepared to mock them but not to attack the system as a whole.<sup>19</sup>

The somewhat superficial nature of *TW3*'s adversarial posturing appears to have been recognised by political elites (or at least those that mattered) whose reaction to *TW3* was by no means universally negative. The Prime Minister Harold Macmillan was grateful of the attention<sup>20</sup> and significantly Greene was aware of this support.<sup>21</sup> Just as *TW3* did not go against the grain of political power in Britain, neither was it at all antagonistic to the BBC hierarchy. In the Annan Report the programme was praised for having 'done something which at the time was entirely new, new in style and new in boldness,'<sup>22</sup> but its creators were also praised for not having been 'grindingly hostile' to editorial authority and for having been 'ready at any time to consult editorial staff at all levels up to the Director-General.'<sup>23</sup> Most significantly, once a critical mass of hostile opinion against the programme had built up amongst political elites the show was promptly taken off air. As Briggs notes, *TW3* was regularly discussed by the BBC Governors throughout its short life and by April 1963 the Board noted that it was 'wearing somewhat thin in Westminster circles'.<sup>24</sup> Then, when one Governor threatened to resign, the programme was unilaterally axed by Greene.<sup>25</sup> This suggests that whatever the complexities and contradictions of the BBC in the 1960s, it remained very much part of what Greene called 'the Establishment'. Indeed, it is important to note that *TW3* also created unease amongst many BBC programme makers. Burns records that in 1963 there was a significant amount of criticism of the programme at Television House and one producer Burns spoke to in 1973 recalled that *TW3* had often been described as 'brutal television' because of its 'unprofessional' style and its 'tearing up of the ethical rules'.<sup>26</sup> This suggests that BBC programme makers were made uneasy not just by the political cynicism of the show, but also its amateurish aesthetic, which was perhaps felt to threaten the edifice of public life *and* the artifice of broadcasting.

### **A conservative turn**

Whatever the political significance of the shift in broadcasting style under Greene, the BBC certainly developed a more self-consciously conservative orientation after his departure. The key turning point was in July 1967 when the former Conservative Minister Lord Hill, then Chairman of the BBC's only rival, the Independent Television Authority, was appointed BBC Chairman by Wilson, who told Richard Crossman: 'Charlie Hill has already cleaned up ITV, and he'll do the same to BBC'.<sup>27</sup> The appointment was controversial and though Wilson's specific intentions regarding Greene remain a matter of speculation, Hill's appointment was widely perceived as a threat to his stewardship. Though he was dissuaded from immediately resigning, he announced his retirement less than a year later in July 1968.

As Tracey has detailed, Lord Hill's appointment was a shock to the BBC management and brought about a definite shift in the BBC's corporate identity – even, he claims, a 'redefinition of the overall purpose of the BBC'.<sup>28</sup> As Greene had anticipated, during his tenure Hill strengthened the powers of the Board of Governors *vis-à-vis* the Board of Management. He also placed a greater emphasis on finance and managerial control. His successor as Chairman, Michael Swann, would later recall that as the 1960s gave way to the 1970s, there was a change of mood in society but also a change in emphasis in the management of the BBC.<sup>29</sup> In April 1968, Hill commissioned a review of BBC managerial practices by the influential consultancy firm McKinsey and Co. McKinsey produced a series of reports (in 1968, 1969 and 1970) which were closely guarded by the BBC and though at the time only positive aspects were made public McKinsey were in fact highly critical of existing managerial practices.<sup>30</sup>

After the McKinsey review, a BBC Working Group commissioned by Hill produced a policy document called *Broadcasting in the Seventies*, written by the future Director-General Ian Trethowan and unveiled simultaneously to BBC staff and the press in July 1969. The top-down imposition of new organisational structures with little consultation was resented by staff. The document was swiftly rejected by the Federation of Broadcasting Unions, which though not recognised by the Corporation represented all the unions with members working at the BBC.<sup>31</sup> Later 134 producers and former

producers opposed the proposed changes in a letter to *The Times*.<sup>32</sup> Writing anonymously at the time, one BBC producer claimed that staff morale at the BBC had reached an 'historic low'.<sup>33</sup> Frank Gillard refers to 'a most uncomfortable, miserable year or two for the BBC',<sup>34</sup> and Burns found that Hill's reforms, or at least the manner in which they were conducted, were 'traumatic'.<sup>35</sup>

Swann, though less belligerent than Hill, was a conservative figure who actively sought to curtail the influence of sixties liberalism at the BBC. He lunched at the neoliberal think-tank the Institute of Economic Affairs and corresponded with its leading figures, Arthur Seldon and Ralph Harris,<sup>36</sup> and with Mary Whitehouse.<sup>37</sup> Before his appointment by Heath in 1973, Swann had been Principal and Vice-Chancellor of Edinburgh University where he had witnessed the rise of student activism and direct action. He had impressed Heath with his handling of the protests and in March 1970 Heath chose Edinburgh University as the location for a speech broadening his 'law and order' campaign to university campuses.<sup>38</sup> Swann came to believe that the radicalism he had witnessed at Edinburgh University had spread to the BBC and actively sought to counter it. In March 1976, Swann gave a speech in which he described the BBC's move away from the progressive ethos of the 1960s:

By the 1960s, partly because of competition, partly as a reaction from the old-style image, partly because of a deliberate policy by the then Director-General, Hugh Greene, and partly because of a huge influx of young producers, the BBC's social stance had altered, at least in television, out of all recognition. [...] But a change in mood in society, and a change of emphasis in Management has indeed brought about a change in the Corporation. It has become, whatever you may think, more careful about sex, violence and bad language. And though there are still, and rightly, plenty of programmes which from a progressive standpoint shock the right-wing, there are, I suspect, more programmes than there used to be which shock progressives. And all this is as it should be. Most people after all, regardless of their politics are not very progressive, and if we forget that fact, we are sooner or later in trouble.<sup>39</sup>

By the time of Swann's 1975 dinner with Wilson, the BBC leadership had long since moved to undo some of the more progressive aspects of Greene's BBC. Greene had been replaced as Director-General in 1969 by Charles Curran, whose instincts were more conservative. Curran's successor, Ian Trethowan (himself a member of the Conservative Party and a friend of Edward Heath's) recalled that:

Charles Curran decided – I'm sure rightly – that we needed a period of consolidation, doubly so when we found ourselves involved in the problems of reporting Northern Ireland, the most difficult journalistic problem which has faced broadcasters, certainly since Suez.<sup>40</sup>

Curran revised Greene's anti-racist stance on apartheid South Africa – which along with Northern Ireland was one of the defining political issues of the era. In 1971, BBC management produced a draft document called *BBC News and Current Affairs: Principles and Practice* which quoted Greene's famous anti-racist comments in its section on impartiality and independence. David Attenborough, then Director of Programmes, Television, said 'he felt a little uncomfortable about the document's dogmatic reference to a subject as complicated as that of apartheid'. In reply Charles Curran reassured Attenborough that in fact 'it was not the case that the BBC as a body believed that apartheid was wrong' and that 'his predecessor's dictum on that subject had frequently been misquoted'.<sup>41</sup> The BBC's Managing Director of External Services, Oliver Whitley, who had been Chief Assistant to Greene, also objected. Fondly remembered as 'the keeper of the BBC's conscience',<sup>42</sup> Whitley referred in a memo to his 'often reiterated disagreement with any statement that the BBC is not impartial or neutral about racialism, since Hugh Greene first made it'. He wrote:

I believe this to have been a woolly, ill-thought out, dangerous and (I hope) untrue assertion, and I shudder every time I see it repeated, the more so when it seems to be with approval.

The only safe position for the BBC with racialism is to classify it with the isms, from lesbianism, liberalism, Sabbatarianism, to nihilism and schism, about which it must try to present different points of view from a position of detachment, and not to be beguiled into any collection of isms – not even cannibalism – about which it is automatically to one side. ... I wish we could avoid repeating it.<sup>43</sup>

A subsequent draft of *BBC News and Current Affairs: Principles and Practise* appears to have then been amended in March 1971 by either Curran or his Chief Assistant, John Crawley. Where the original draft read: 'the BBC aims to be as impartial about political controversy on ways of dealing with apartheid as it is about any other controversial topic', the Director-General's office penned an amendment so the text would refer to 'dealing with apartheid *or immigration*' [emphasis added]. When the document was submitted to the BBC's General Advisory Council later that month, the BBC had slightly distanced itself from Greene's position. Where as in a previous draft Greene was quoted as an implicit authority, his statements now included the precursors 'sir Hugh Green once said' and 'sir Hugh Greene believed'. One sentence which had previously read, 'The BBC does not, for instance, pretend to be neutral about racialism in South Africa', was removed altogether. The commitment in the earlier draft to 'scrupulous fairness in presenting problems of apartheid' was now a 'continuing responsibility to present different points of view from a position of detachment'.<sup>44</sup> Crawley also inserted a section into the new draft detailing television's supposed vulnerability to 'exploitation by those who organise protests and demonstrations'. '[I]t is the responsibility of the editor, and of the cameraman,' the new section stated, 'to avoid being exploited by the event that has been organised for the cameras; and also to avoid influencing the event by the presence of the cameras.'<sup>45</sup>

Whilst editorial rules were purged of any hint of political commitment, editorial controls were extended. In January 1970, Curran held a meeting at his office on the subject of 'Broadcasting and Authority'. He opened the discussion by saying that in recent conversations he had heard it said that BBC journalists generally took an anti-establishment line and reserved severe questions for people associated with authority. The journalists and producers present replied that it was their job to remain sceptical of authority, although always free from personal bias. The only other person present who seemed to have shared Curran's concerns was John Grist, then Head of Current Affairs Group Television. He replied that as far as he was concerned 'there was danger when all BBC current affairs programmes appeared to be running in a pack, chasing the same subject. This was the kind of trendiness which could be avoided.' Curran concluded the meeting by saying that whilst he acknowledged that it was part of a BBC journalist's function to put critical questions to authority, it was part of his function to see that authority was nevertheless treated fairly.<sup>46</sup> The obligations for BBC staff to 'refer up' political matters were extended under Curran. In a 1973 policy document called *Tastes and Standards in BBC Programmes*, Huw Wheldon was quoted as saying: 'the wrath of the Corporation in its varied human manifestations is particularly reserved for those who fail to refer'.<sup>47</sup> The ritual of referring political matters to your superior was a well established practice at the BBC and was one of the significant mechanisms that ensured conformity in editorial judgements. Schlesinger notes in his study that 'referring up' was part of a broader system of bureaucratic authority ensuring that BBC employees internalised the BBC's 'corporate ideology'.<sup>48</sup> Burns notes that the significance of 'referring up' at the BBC was more 'symbolic rather than operational' and quotes Smith's observation that in the BBC, 'There is seldom any doubt about what the man above you thinks on any important issue. You can therefore avoid referring upwards by deciding them in a way which you know he would approve of'.<sup>49</sup> The impact of Curran's expansion of the obligations to 'refer up' on BBC journalism seen in this context was predictable enough: it created an environment in which matters deemed to be politically controversial were more likely to be approached with caution or avoided altogether. This is evidenced by the BBC's records from this period.

In May 1972 the Head of Features, Television, Aubrey Singer, sent a widely circulated memo to the Editor of News and Current Affairs protesting against the new rule that the Features Group would now have to formally 'refer up' all programmes which might be considered political and not just those which involved legislation, Ministers and MPs, as was traditionally the case:

What do we lose? The answer is a little bit of our freedom. There will be slightly less freedom to allow our output strands to choose their subject matter. There will be a little less freedom to explore certain areas within this subject matter. There will be a consequent shift away from areas within this subject matter. There will be a consequent shift away from areas which are likely to be subject to 'thinkpol' [thought police]. Since this will be happening, one presumes, in Documentary Department, in Late Night Line Up and across the Service, one can only regret it.

And why? Well, in the end one regrets it because the attempt at 'control' is not to do with viewers; it is to do with the Corporation's own politics of survival.<sup>50</sup>

This increase in editorial control was to some extent resisted by BBC staff, particularly where it was seen to undermine their professional integrity. As noted above, BBC staff were publicly critical of the structural changes pushed through by Hill as part of *Broadcasting in the Seventies*, and these occasional public displays of discontent continued throughout the decade. In 1973 there was an open rebellion by a section of the Features Department (headed by Singer). This followed the broadcasting of a programme called *A Question of Confidence* as part of the General Features Department's series *The People Talking*, which also included programmes on inflation and Northern Ireland. This particular programme examined the lack of public trust in politicians following scandals in the US and the UK and included the results of a poll the BBC had commissioned on the subject. The programme took the form of a studio discussion and a panel of MPs were confronted with a hostile studio audience. After the programme was broadcast, Swann wrote a letter to the six MPs who took part expressing 'regret' about the programme, and advising them that the 'Director-General is examining the possibility of mounting a further programme on this subject in which the issues would be discussed in a calmer atmosphere'.<sup>51</sup> The next day, a letter critical of the stance adopted by Swann was sent to the same six MPs signed by more than 50 members of the General Features Department. In the following week it was reported that both the Association of Broadcasting Staff (ABS) and the Association of Cinematograph, Television and Allied Technicians (ACTT) had threatened to 'black any programme which the Corporation makes to atone for its recent *Question of Confidence* production'.<sup>52</sup>

### **Editorial control in the midst of crisis**

The conservative turn outlined above took place in the context of a growing sense of economic decline in Britain symbolised by the currency devaluation of 1968. This grew, from 1973, into a sense of national crisis following one of the worst stock market crashes since the Great Depression, a downturn worsened by the oil crisis of October that year. In response the Heath government imposed the three day working week and opened negotiations with the National Union of Mineworkers (NUM), which was threatening industrial action in opposition to the government's pay policy. In December 1973, in response to the growing sense of crisis, the Editor, News and Current Affairs told senior staff that the BBC must 'try to provide an oasis of sanity in the midst of all the doom laden comments', whilst Charles Curran commended a number of programmes for 'injecting some sound common sense into the situation'.<sup>53</sup>

In January 1974 the News and Current Affairs meeting had a discussion summarised in the minutes as 'Choice of Interviewees in Present Crisis'. Desmond Taylor Editor, News and Current Affairs

stressed that, in the present critical situation, it was more than ever important to give careful thought to who was to be invited to take part in interviews and discussion programmes so as to ensure, as far as possible, that the choice of contributors was fireproof. Thus the BBC would be strengthened in dealing with recriminations from political and other sources.<sup>54</sup>

The meeting went on to discuss the appearance of Tony Benn in two news bulletins that week. Taylor said that as far as he was concerned neither appearance was 'based on a definite news peg' and the Chief Assistant to the Director-General John Crawley added that he had doubts about Benn's inclusion in a radio bulletin two days earlier.<sup>55</sup> A week later the Governors discussed the BBC's

‘Coverage of the Crisis’. Michael Swann said that he had spoken to Lord Windlesham, a former Conservative Minister and Joint Managing Director of the ITV company Grampian Television, and said he had indicated that members of the Conservative government were unhappy with the BBC’s coverage. During the discussion the Governors generally agreed that the BBC’s coverage had been good, but there was nevertheless a concern that by focusing particularly on conflict the BBC might be exacerbating the situation. Their warnings were later passed on to editors who Desmond Taylor asked to ‘give careful consideration’ to the question of ‘whether incessant and immediate interviewing of the protagonists in the various disputes might not cause attitudes on both sides to harden.’<sup>56</sup> A discussion followed as to whether it was indeed the BBC’s duty to ‘avoid exacerbating the situation’. The main dissenting voice was the Welsh Governor Tegai Hughes who argued that, ‘it was a political decision to say that it would be against the national interest to broadcast material available for broadcasting’ and that, ‘It was dangerous to assume a general consensus about what constituted the national interest.’ Michael Swann suggested that, ‘there was a danger of over-exposing both sides in a dispute, and of exasperating the audience.’ He and the Editor of News and Current Affairs agreed that, ‘it would be wrong not to reflect the situation as it was’ but that, ‘It would be equally wrong to become an active agent in the situation.’ Another issue of concern to the Governors, and to the senior management, was the interviewing of members of the public. Sir Denis Greenhill, a former Foreign Office official with a particular focus on intelligence and security issues who was the board of British Petroleum, British-American Tobacco and the merchant bank S. G. Warburg and Co., questioned whether the BBC had a duty to ‘rake over the coals in every bulletin’ and questioned journalists going out ‘into the highways and byways to interview a rag-bag of people.’<sup>57</sup> Swann agreed that there were too many interviews with members of the public and when the issue was raised with the Editor of News and Current Affairs Desmond Taylor he said he shared their ‘dislike of “vox pop” interviews that add nothing to the story.’ Curran remarked that such interviews ‘were permissible as long as they did not matter.’<sup>58</sup>

The news report which had prompted this discussion was a brief interview of people in East London who were signing on having lost their jobs and were hostile towards the Conservative government. At the News and Current Affairs meeting the next day Desmond Taylor told editors that he doubted whether their views were ‘valid’ and said he was in favour of hearing the voice of ‘the people in the middle’. The Editor of Television News Derrick Amoores objected to the criticism noting that similar interviews conducted with commuters in Southend whose journey had been obstructed by a train drivers strike had not received any such criticism, to which Taylor responded that these attitudes were more likely to accurately reflect public opinion, citing an article in the *Daily Mail* that morning reporting a swing in favour of the Conservatives.<sup>59</sup> He said that such interviews should only be conducted if it was clear that the interviewees were representative. At the next Board of Governors meeting Taylor reported that he had warned editors against random interviews of members of the public, but following the feedback from editors stressed that such interviews had to be conducted otherwise the discussion might be limited to official spokespersons. He added that as far as he was concerned, such interviews ‘should have validity’. ‘Randomness,’ he said, ‘would not do and the BBC must never give the impression that such interviews had a greater validity than they really possessed.’<sup>60</sup> On this occasion the issue had been raised after the BBC reporter Gerald Priestland had asked a group of miners if they intended to strike. After a long discussion it was agreed by the Governors that interviewing people about their future intentions – i.e. whether they planned to strike – whilst not banned indiscriminately nevertheless ‘needed to have validity’.<sup>61</sup> At the News and Current Affairs meeting the next day Derrick Amoores again raised his objection on the new rules on ‘vox pops’ interviews. He said, ‘He preferred to offer this type of interview merely as the personal views of those interviewed rather than to seek to accord them any elective or representative capacity.’ Taylor replied that in any case he thought interviews of this type were not very valuable and Curran said that: ‘In general he thought that news bulletins should be chary of seeking out human reactions to political situations.’<sup>62</sup>

If discussions in January 1974 show a certain anxiety about representing public disaffection, the BBC’s records from that February suggest a far more profound anxiety about the BBC’s social responsibilities. On 6 February 1974 the General Advisory Council held a discussion during which

one member, Sir Goronwy Daniel, warned that the BBC was likely to come under pressure from the government to provide moral support in its struggle with the unions:

There is not very much moral authority; the traditional thing has been to have a church or witch doctors, to give the government moral support. We do not have that basis. The agency which has the biggest effect of all on human attitudes in effect is broadcasting, so when it comes to a basic struggle between the State and part of the State [meaning the trade unions], the BBC will I would have thought come under very strong pressure to change the principles set out here, that is, to be totally independent, not to have a view of its own.<sup>63</sup>

Swann commented that:

Sir Goronwy Daniel made a point, in the weeks and months to come all sorts of pressures are likely to be brought to bear on the BBC. I have said this publicly already. There is a grave danger that we shall, particularly if we move towards a general strike and if there is a general election, of a particularly troublesome kind, we should be accused of all sorts of things, we shall interfere, make mistakes, it is only human to do so, but certainly we are very well aware of the problems and dangers. I wondered whether Sir Goronwy Daniel had not been bugging my office, because the Director-General and I were talking of the things he was talking about and had arrived at something like the same conclusion, that not only for the immediate future but the longer run when we are trying to pick up the pieces in this current crisis, one has a special responsibility, and one does need some sort of overall guiding values about which to work.<sup>64</sup>

In response to anxiety about the BBC's reporting in 'the present situation' Desmond Taylor commented that:

Members of the BBC News Staff are not impartial in the least, although they say they are. They are greatly in favour of parliamentary democracy, and will continue so and will continue to report honestly and without prejudice what is going on in the country so that you, the voters, can make up your own mind. I do not think you need worry that anybody will fall away from that standard.'<sup>65</sup>

Curran commented that whilst it was not part of the BBC's function to provide moral support for a government it should nevertheless encourage 'respect for orderly behaviour in society' so as to promote understanding. He added that:

We are living in a parliamentary democracy, or the BBC could not exist. It is therefore in our own self-interest and the public interest of society at large for us to sustain parliamentary democracy and giving people the material to conduct a debate, which is the essence of parliamentary democracy.<sup>66</sup>

He told the General Advisory Council he would cancel engagements over the next three weeks 'to follow as much as possible of the output and exercise editorial control'. Desmond Taylor said he 'would insist not only on normal reference upwards but also on the communication of intentions', adding that he might 'take up residence at Lime Grove', home to BBC Current Affairs, 'to be sure of getting a quick reaction to intentions.'<sup>67</sup> Later that day the future Director-General Ian Trethowan, then Managing Director of Radio, sent a memo warning editors that the tone of BBC radio was too 'flippant' and that the BBC was facing accusations of left-wing bias:

At Programme Review Board this morning I dealt with a matter of major importance, and I would be obliged if you would draw this immediately to the attention of all your editors.

Review Board was considering the increase in complaints of left-wing bias, an increase which is mirrored in my own mail. [...] I believe this tide of complaints can be attributed

partly to the nature of the Radio 4 audience, and partly to the public's natural sensitivity at a time of crisis. I believe, however, that it also reflects a genuine public concern of which we must take real account.<sup>68</sup>

Trethowan attached to his memo a note referring to the General Advisory Council meeting in which he said members had expressed 'great concern about the BBC's general attitude at this time of crisis' and added that he had 'discovered later that this is strongly shared by a number of Governors.'<sup>69</sup> At the News and Current Affairs meeting of 8 February 1974 John Crawley summarised the discussion at the General Advisory Council meeting and the comments by Sir Goronwy Daniel, Michael Swann, Charles Curran and Desmond Taylor were distributed to news and current affairs editors as an appendix to the NCA minutes.<sup>70</sup>

### **Financial crisis and managerial control**

In discussing editorial authority at the BBC, Burns notes that 'the relationship between the producer and his superiors reflect the relationship between the BBC and the powers that be outside'.<sup>71</sup> This contention is supported by the above account of the conservative turn in BBC policy in the 1970s and the tightening of editorial controls which, as we have seen, intensified during the 1973/4 financial crisis. This conservative turn was also, perhaps more subtly, connected to financial pressure that came to bear on the BBC during the same period. The relationship between this political and financial pressure and the internal politics of the BBC is the subject of the following section. It describes the pressure placed on the BBC leadership as a result of government pay policy and the impact that this had on management's relationship with its staff and the broadcasting unions. It clearly illustrates the BBC leadership's structural subordination to political elites, and suggests a growing hostility amongst management to an increasingly assertive workforce which was set against the BBC leadership and government policy.

Along with the appointment of Governors, and most of all the Chairman, the most significant influence governments have had over the BBC is control of its finances. Though the licence fee system affords the BBC more autonomy than it might enjoy if its income came directly from taxation, the BBC remains dependent on the good will of parliament; which in practice ultimately subordinates the BBC to political elites. In general, during periods of relative affluence the BBC tends to enjoy greater autonomy, whilst during periods of financial austerity, and particularly during periods of high inflation, the state's financial leverage over the BBC becomes greater. Hood has suggested that during the Greene era the BBC

because of the rising graph of TV licences enjoyed a parallel rise in its income. This meant that it did not have to go to the government to ask for an increase in the licence fee... The BBC was a beneficiary of the 'you have never had it so good' period under Macmillan. At a moment of prosperity and against a background of social changes, the cracks in the monolith could be and were exploited by broadcasters.<sup>72</sup>

The more favourable financial context described by Hood changed markedly from the mid-1960s onwards. As Freedman notes, the broadcasting policy of the first Wilson-led government 'was massively influenced by the declining state of Britain's finances' in response to which it put the BBC under 'a relentless financial squeeze'.<sup>73</sup> This changed financial context was noted by Burns who describes a 'totally changed financial situation' in 1973 and notes that the BBC leadership had introduced 'a reorganisation of the administrative structure designed to give it a more direct financial control, and, in consequence, more direct overall operational control'.<sup>74</sup> Hood's observation that the relative political freedom the BBC enjoyed under Greene occurred in a specific economic and financial context is an important insight. But we can take this argument a step further and note that the politically imposed financial austerity that followed not only reduced the autonomy of the BBC but equally intensified top down control *within* the Corporation. This control, as Burns suggests, was simultaneously both financial *and* operational – and we could add political. An interesting point to note here is that Swann, though publicly critical of the financial restraints put on the BBC, in private welcomed these circumstances, since they strengthened managerial control. In November 1974, the BBC published its Annual Report for 1973/74, in which Swann wrote: 'Because of inflation, and in

spite of economies, our financial position has become increasingly gloomy; and in the present year it can be expected to reach crisis proportions...' Less than two months later he privately told Wilson 'he had also been able to take advantage of the pressure resulting from the delay in increasing the licence fee to have a further investigation at the BBC by McKinsey.'<sup>75</sup> This conversation took place at the same dinner at which Swann told Wilson he was seeking to curtail 'hippie influence' at the Corporation.

By way of context it is important to note that managerial authority at the BBC had faced unprecedented challenge by organised labour in recent years, as it had throughout British industry. The largest union represented in the BBC, the Association of Broadcasting Staff (ABS) had started life as a staff organisation and for decades had been committed to settling disputes through arbitration rather than industrial action. That longstanding agreement was terminated in 1967, and though a new grievance procedure was agreed in 1970 following industrial action the year before, this too was terminated by the ABS in 1973 for being 'unacceptably restrictive'.<sup>76</sup> The ACTT, a more activist union, was not even recognised by the BBC. Indeed it was suggested by the ABS in evidence to Annan that the BBC had refused to negotiate with the Federation of Broadcasting Unions because of the influence of the ACTT in the organisation.<sup>77</sup>

The 1970s saw a number of industrial disputes at the BBC resulting in strike action. The most significant was a strike by production assistants in 1974, which Annan noted 'was complicated by the existence of a statutory incomes policy.'<sup>78</sup> The Production Assistants had complained of having to work unpaid overtime, since their official 'grading' did not entitle them to overtime pay. When they threatened a strike, the BBC management referred the case to the National Industrial Relations Court which ruled that any action would constitute an 'unfair industrial practice'. Though the ABS agreed to comply with the ruling, the Production Assistants defied the union and began an unofficial strike.<sup>79</sup> In August 1974, after a seven week strike, the longest in BBC history, the management awarded staff pay rises of between 18 and 24 per cent. This pay award was certainly substantial but, as the BBC Management admitted to the General Advisory Council, a payment of around 20 per cent reflected the principles of an official Court of Inquiry which was set up in the wake of the 1969 industrial dispute. Curran therefore decided that 'there was no practicable alternative to awarding a salary increase of about this proportion'.<sup>80</sup>

The pay award nevertheless angering the newly elected Labour government and was publicly criticised by the Secretary for Employment Michael Foot and by the Prime Minister Harold Wilson during the October 1974 election campaign.<sup>81</sup> In the period after the award, the BBC was put under relentless financial pressure by the Labour government through a series of harsh licence fee settlements, motivated by the desire to compel BBC Management to comply with government pay policy and resist pressure from staff and their unions.

At the time of the August 1974 pay award, the BBC already expected to exceed its constitutional borrowing limit before March 1975, which had been the anticipated date for a licence fee increase in 1971. In July 1974, Curran told the General Advisory Council that the BBC was to ask the government for a licence fee increase, but noted that 'a delay in granting the increase was possible in the present political situation'.<sup>82</sup> Wilson was reluctant and thought that the whole licence fee system should be abolished. When notified by the Home Office that October that the BBC was seeking an increase to cope with inflation, he replied: 'I think that the time has come for us to give urgent consideration to alternative methods of financing the expenditure of the BBC.' He referred to the licence fee as a regressive tax and added that the system of periodic increases 'can only encourage the BBC's tendency to over-lavish expenditure'.<sup>83</sup> A copy of Wilson's memo was sent to the Chancellor of the Exchequer, Denis Healey, who commented that

I too feel some concern, especially in view of the recent pay settlement which the BBC reached with its employees outside TUC guidelines and without reference to Ministers. But, on the face of it, I would have some doubts about changing the whole basis of financing in advance of the Annan report.<sup>84</sup>



The Home Secretary Roy Jenkins agreed with Wilson that 'the time has come for an examination of the licence fee system', but also with Healey that any change to the system before the publication of the Annan Report would be politically difficult. He commented that: 'In the meantime, I intend to put our criticisms of the BBC expenditure, including the recent pay settlement, sharply before Sir Michael Swann'.<sup>85</sup>

By January 1975, the month of Wilson's private dinner meeting with Michael Swann, the BBC was facing a mounting budget deficit. It officially requested a licence fee increase from £7 to £9 for black and white televisions and £9 to £18 for colour TVs – figures which the Government privately noted were based on 'assumptions about the future rate of inflation [which] seem unduly optimistic.'<sup>86</sup> At the end of that month the government's broadcast committee met to discuss the BBC's proposals. The memorandum prepared for the committee by the Home Secretary Roy Jenkins noted that:

The BBC gave their staff a pay increase of 26%. This was done without consultation with the Government. I think that it is right to bring home to large corporations the consequences of extravagant pay settlements e.g. future redundancies.<sup>87</sup>

The broadcast committee subsequently recommended that

there must be a significant increase in fees sufficient to prevent major cuts in services; but that the BBC's proposal should not be accepted in full because of the need to apply some financial discipline in present circumstance and to remove any temptation to repeat the recent excessive pay increases...<sup>88</sup>

Recalling this period in his memoirs, Alasdair Milne writes:

Money really was tight now and inflation was rising. ITV, able of course to manipulate its advertising rates to its best advantage, seemed to enjoy significant percentage increases every year whereas the Television Service was standing still financially, if not in fact going backwards. This was to be the pattern throughout the seventies and one which caused us increasing pain.<sup>89</sup>

This pain recalled by Milne was deliberate government policy and, as was anticipated, the BBC struggled after its 1975 licence fee settlement. As its former director of personnel later recalled, the BBC's situation in the late 1970s only became more precarious as income from colour television licences plateaued:

Up to about that time as more and more people took up colour licences the income grew because there were more and more licences out there. That had taken quite a lot of the pressure from increases from the government. When that saturation point was being approached, which was in the late '70s, towards the late '70s, it was very difficult indeed for the BBC to see that they could get income, increased income from any other source, than the government. There was a bit of commercial activities, selling programmes and that sort of thing abroad, but that was right on the fringe of the sort of amount of income they needed.<sup>90</sup>

In early 1977 the BBC sought a further increase from the Home Office and by the end of June that year, having run up a deficit of £10 million, was expecting to reach its constitutional borrowing limits by the end of the year. This time there was disagreement in the government over the best timing for the new licence fee, though for both camps restraining wages was the major concern. 'The main issue,' the Treasury wrote in a memo to the Prime Minister James Callaghan, 'is the impact which the increase can have on the pay settlements' which might 'affect the pay climate for subsequent negotiations for much larger groups.'<sup>91</sup> The preferred approach when the matter came before the government's Economic Strategy Committee in July 1977 was to delay the decision. Callaghan had suggested that 'it would be preferable to leave the matter until at least the first of the BBC pay claims (that falling due in August) had been settled.'<sup>92</sup> The Home Secretary Merlyn Rees, however, favoured an early but small increase in the licence fee, hoping to avoid a 'public row' with the BBC:

I do not think it can be assumed that delaying the increase until later in the year would encourage them to deal more responsibly with their forthcoming pay claims: indeed, the opposite is more likely to be the case. If they have not had the increase when they have to deal with the pay claims, they will think that we shall have to bail them out; whereas if they have had the increases in licence fees, and it is as small as I envisage, and they know there is no more to come until the middle of next year, anything we can do by way of suasion will be reinforced by financial constraints.<sup>93</sup>

The Treasury remained of the view that it would be more politically expedient to wait until after the beginning of the pay round and believed that a 'public row' with the BBC could be avoided by offering a longer lasting increase.<sup>94</sup> This, the Cabinet Secretary Sir John Hunt believed, was based on private talks between Denis Healey and the Director-General Ian Trethowan.<sup>95</sup>

James Callaghan was persuaded by Merlyn Rees's position and the licence fee was raised on 31 July 1977 to £21 for colour and £9 for monochrome; an increase which was expected to last only one year. Shortly after this new settlement, Swann wrote to BBC staff warning them against taking strike action saying: 'Can one believe that any government whose future depends on getting inflation under control will sit back and do nothing if one of the first public sector groups to settle deliberately defies them?' He noted that the BBC was still £16 million in debt and stressed that the recent licence fee increase 'will allow pay rises only of the order that the Government has indicated.'<sup>96</sup> Swann's warning was rejected by ABS members at a meeting in London later that month where members voted overwhelmingly in favour of strikes action in opposition to the BBC Management and government pay policy. The union also passed a resolution saying it 'deplored the Government's use of its power to determine the licence fee to bring improper and unacceptable pressure to bear on the BBC's freedom to negotiate with the recognised unions.'<sup>97</sup>

According to a report in the *Guardian*, the BBC's pay offer to its staff in October 1977 was 'couched in apologetic terms' by the BBC's director of personnel Maurice Tenniswood, who referred in the document to the limits that had been imposed by the Treasury.<sup>98</sup> It was rejected by the ABS executive, which voted in favour of industrial action<sup>99</sup> and though there was no mass strike, the dispute lasted for several months and resulted in the 'black out' of a number of television programmes. Shortly before that pay award, the BBC announced that Tenniswood would be succeeded by a new director of personnel, Michael Bett, who was recruited from General Electric Company (GEC).<sup>100</sup> Bett was a former director of industrial relations for the Engineering Employers Federation, a leading business lobby group, and in 1972 had served on Edward Heath's Pay Board.<sup>101</sup> At GEC he reported directly to the company's managing director, Arnold Weinstock. One of the most powerful industrialists of the period, Weinstock had overseen a number of mergers and acquisitions in British industry and, in opposition to trade unions, forced through 'rationalisations' of companies that came under his control.<sup>102</sup> Bett was recruited from GEC to (as he later put it) to 'deal with militant unions' and recalls that before he took up his post he attended a seminar where BBC managers were 'wringing their hands about the power of unions'.<sup>103</sup> He explains the background to his appointment as follows:

I'd been for five years with GEC and in those five years my job had been principally to sort out industrial relations problems. We were a target for the Trotskyite movement, the grass roots movement, as it was called, and I had my hands full with strikes and problems of that sort and I was also on the Pay Board at the same time. So I had, I suppose, developed some of the experience and maybe negotiating talents that had not really been developed in the BBC.<sup>104</sup>

Bett advised BBC managers that they could 'out-argue' and 'manoeuvre politically' in their dealings with the unions. In particular he says he encouraged the BBC leadership to accept the possibility of 'black outs' which he says 'was something that they could not contemplate' before his arrival.<sup>105</sup> In January 1978, a month after Bett took over as head of personnel, 525 BBC staff were suspended for industrial action in relation to the October pay offer, but reinstated shortly afterwards following talks with the ABS.<sup>106</sup> Though this largely brought an end to the dispute, it was frozen rather than resolved.

New licence fee negotiations took place at the beginning of the winter of 1978/9 amid renewed pressure from staff for wage increases. Alasdair Milne recalls that, 'The unions became increasingly vexed as their members' standards of living declined and we were involved with in long-drawn-out and grinding disagreements.'<sup>107</sup> Following early licence fee negotiations, the Home Office recorded that, 'Morale in the BBC was already low, and the triple effect upon it of the loss of the Football League contact [to ITV], the line being taken by the Government on pay and what was proposed on the licence fee would reduce it still further.'<sup>108</sup> Nevertheless the government remained determined to enforce financial discipline on the BBC, and austerity on its staff.

In September 1978 the BBC told the Home Office it expected to exceed its borrowing limit by February 1979 and requested a licence fee increase lasting three years. Ministers unofficially suggested to the BBC in early October that they were in favour of granting a £30 licence fee, but were worried about a backbench rebellion. When the Director-General Ian Trethowan reported this to the Board of Governors, the minutes record that the 'Governors were not fully persuaded that the fear expressed by Ministers was genuine.'<sup>109</sup> The Governors were right to be sceptical. The declassified government files show that the only political pressure Ministers were mindful of were those that might obstruct the enforcement of their pay policy. The Home Secretary Merlyn Rees advocated responded to the BBC's request with a much smaller increase based on a 5% cut to the BBC's proposed expenditure – a settlement expected to last two years.<sup>110</sup> Healey wanted even tougher measures, advocating a licence fee increase based on a 10% cut to expenditure and set to last only one year. This was an approach Rees warned 'would lead to immediate allegations that we intended to use finance as a weapon to control the BBC'.<sup>111</sup> Healey replied that he 'could not endorse [Rees's proposals] without being satisfied that they do not make the operation of [counter-inflationary] policy more difficult'. He said the government should not 'consider weakening the line it has adopted hitherto against further concession' in response to 'political difficulties'.<sup>112</sup>

A group of Ministers chaired by Denis Healey later met to discuss the issue and agreed to the tougher measures.<sup>113</sup> On 25 November the licence fee was increased by only £1 for monochrome and £4 for colour licences. Tony Hearn of the Association of Broadcasting Staff (ABS) called the increases 'ridiculously inadequate'<sup>114</sup> and Trethowan publicly criticised the measures saying: 'If you are negotiating virtually non-stop with the Government for your money, the temptations for them to start putting pressure on you are obvious.' He recalled in his memoirs that: 'Negotiations over the new Charter and the licence fee were not easy, but the most immediately abrasive encounters came over the Government's pay policy.'<sup>115</sup> Years of financial discipline meant that BBC wages had fallen well behind ITV's and in 1978 it faced serious problems over loss of staff. Ministers however remained steadfastly opposed to any new pay award. At the beginning of autumn, Healey wrote to the BBC urging it to observe the 5% guideline and to keep the Home Office informed on any pay claims from the broadcasting unions or any offers the BBC planned to make.<sup>116</sup>

By early October it was clear that the BBC Management was again facing industrial action. Trethowan told the Board of Governors that the BBC expected that it would have to go off air at intervals, with an announcement that staff shortage prevented it from providing a normal service.<sup>117</sup> This was in fact an outcome which the Governors were told, 'Ministers would positively welcome... as a sign that their insistence on a 5% guideline was working.'<sup>118</sup> At the end of October, Bett received official notification from Tony Hearn, of a request for an increase of at least 5% for all BBC staff, as well as the implementation of an agreement on the grading of BBC engineers which would effectively mean a pay settlement of around 6.2%. The claim was discussed by the Board of Governors on 2 November 1978. Swann repeatedly asked the Governors if they were willing to breach the government's 5% guideline. The minutes record a 'reluctance to be defiant there and then' since the Governors expected that the TUC-government talks could lead to some new compromise which 'might well make such defiance unnecessary.'<sup>119</sup> It was agreed that the BBC should approach the Home Office at a relatively junior level and indicate that it intended to settle the claim. The government, however, refused permission and the BBC management complied with their wishes, offering no settlement.<sup>120</sup>

In November there was a wave of unofficial industrial action at the BBC that alarmed the management. Trethowan told the Board of Governors that managers were 'fed up to the teeth with the constant fiddling aggro of certain militants,' and that, 'There were producers who felt so angry that they might refuse to work with some cameramen again.' At the end of November Trethowan warned that, 'Within the next fortnight – unless peace returned with a pay settlement – there could be fresh outbreaks of trouble and a firm re-assertion of discipline by Television Management.'<sup>121</sup>

On 4 December 1978, Swann, Trethowan and Bett met with what Trethowan later described as a 'tremendous phalanx' of government representatives.<sup>122</sup> They asked for approval for the BBC's proposed offer of a 7.8% settlement but the government again refused. The Treasury Minister Albert Booth, however, told them that if they referred their pay dispute to the statutory adjudicator, the Central Arbitration Committee (CAC), he would use his influence to ensure that dispute was quickly dealt with (the CAC usually took months to deal with applications). Trethowan writes that they 'felt that we had to agree'<sup>123</sup> and the BBC leadership put their negotiations with the ABS 'on ice'.<sup>124</sup>

The ABS initially refused to go to the CAC but later agreed after a letter and phone call from the Home Secretary. However, with no offer on the table the newly formed ABS Industrial Action Committee ruled in favour of an overtime ban.<sup>125</sup> On 13 December, the first day of the action, the government's pay policy was defeated in the House of Commons. Lord Allen, the dominant figure on the Board of Governors when it came to pay policy, argued that the BBC was now free to offer a settlement in excess of 5%. He pointed out that the BBC had already been awarded its licence fee by the government and no longer faced the threat of sanctions. What then, he asked, could the government do to the BBC? Swann and Trethowan replied that, 'the Government still had weapons' and the latter noted that the BBC would need to renegotiate its licence fee within a year.<sup>126</sup>

Despite the nervousness of the Chairman and Director-General, it was agreed by the Board of Governors that the BBC should now seek an increase of more than 5% but less than 8%, so as to keep within the rate of inflation. Roy Fuller and Stella Clarke, two left-leaning members of the Board of Governors, were frustrated with the slow progress. They had both been in favour of awarding staff the original request made at the end of October, but had gone along with the majority view that the Board should try and fit the award into the government's pay policy. Fuller told the 14 December meeting that he could 'well understand the feelings of the Union' and said he was prepared to resign over the issue if their requests were not met.<sup>127</sup> The BBC management subsequently wrote to the Home Office to say that they were considering an award in excess of government guidelines and had arranged for negotiations with the unions to be resumed on 21 December. Still reluctant though, Trethowan referred in a meeting to 'certain inhibitions which would still affect the BBC's attitude to those negotiations'. In a meeting between the BBC leadership and the government, Melvyn Rees warned that any breach of its guidelines would be 'taken into account' when the BBC next sought an increase in the licence fee.<sup>128</sup>

Shortly after that meeting, the ABS overtime ban escalated into a full strike following the suspension of eleven staff in the BBC's processing unit.<sup>129</sup> On the afternoon of 20 December, television screens were blacked out with a message reading: 'It is not possible to bring the advertised programme due to industrial action over the government pay policy.'<sup>130</sup> The much anticipated Christmas TV blackout was now in the offing, but then, much to everyone's surprise, the CAC, having arranged an early ruling on the dispute under pressure from the Treasury, ruled in favour of a 16.5% pay award, bringing the strike to an abrupt end.<sup>131</sup>

On the face of it, the CAC award spectacularly breached the government's pay policy. Michael Bett recalls that the government were 'astonished' by the award, despite the fact that he had personally warned his friend Shirley Littler, the head of the Home Office's Broadcasting Department, that the CAC was likely to grant a significant increase. The award was criticised by Roy Hattersley and others in the House of Commons as the public sector disputes spread in January 1979. At a Board of Governors meeting at the end of that month, Swann noted that 'some MPs had started spreading the myth that the BBC had breached pay policy'.<sup>132</sup> This accusation unnerved the BBC leadership and it

was stressed that the award had been to correct anomalies in Stages 1 to 3 of the government's policy and did not relate to Stage 4.<sup>133</sup>

Still loyal to government policy, the BBC Management resisted subsequent requests from the ABS, which officially fell under Phase 4 of the social contract. In January 1979, Bett told the Board of Governors that he thought the unions 'were not devoid of arguments for their [new wage] demand' but that 'it would be politically unacceptable to break pay policy by doing what the Unions wanted.' He was backed by the Director-General and the Board of Management and had the 'total support' of the Board of Governors.<sup>134</sup> Later that month Trethowan expressed his concern to the Board of Governors that any breach of the 5% limit might 'incite the Government to turn on the BBC in anger.'<sup>135</sup> In February the ABS called for a 15% increase but the management continued to offer 5%, even as Trethowan noted that 'every settlement in the public sector at more than 5% undermined the BBC's position.'<sup>136</sup> It was not until 22 March – by which time the wave of public sector strikes that winter had largely receded – that Bett was finally authorised to make an offer over 5%,<sup>137</sup> and even then the BBC management first sought the permission of Ministers.<sup>138</sup>

### **Independence and the 'politics of survival'**

As we have seen, the BBC leadership during the 1970s was acutely aware of the need to maintain good relations with Ministers in order to ensure its competitiveness and even its survival. This apparent threat to the BBC's notional independence appears to have been justified in terms of its special place within British democracy. Trethowan's position on pay policy was essentially that it would be undemocratic for the BBC to break the government's guidelines. In December 1978 he told senior editors:

I believe that when the BBC, as manager, is asked by the elected Government to take a certain course of action over pay policy, then provided that request is at all reasonable it is bound to agree. The Government said, in effect: the BBC is first in the queue among public sector organisations, and if it punches a hole in pay policy, the rest of the public sector will pour in behind. [...] The BBC cannot, as an institution, arrogate to itself the right to affect materially the basic policies of the elected Government.<sup>139</sup>

In fact the BBC had no legal or technical obligation to comply with government policy as such. Thus Trethowan's argument was not that the BBC was technically obliged to obey the government, but rather that it was in some way morally and constitutionally obliged to do so. There are echoes here of John Reith's oft quoted statement on the BBC being 'for the people' during the General Strike, and implicit in this reasoning is the notion that the mere fact that a government is elected confers on it the right to command obedience. This is a far cry from the liberal democratic theory so often invoked by the BBC in descriptions of its constitutional status and its journalistic practices (particularly during this period). This is not to suggest that liberal democratic theory has ever accurately described the mechanisms of British society and the British state, but rather that the BBC's liberal democratic rhetoric acted to disguise its true social position, orientation and function. For as we have seen, behind Trethowan's allusion to democratic ideals, lay the need to placate the government. We have already seen many examples of this from the documents cited above and Bett, moreover, recalls that Trethowan

thought that if we behaved too badly *vis-à-vis* government, that the Charter could go. [...] [I]t was very difficult, I mean it may not look difficult now but at the time there was this feeling that the BBC could lose its Charter and I am sure that the odd politician played on that.<sup>140</sup>

Bett maintains that this sense of political crisis did not impact on BBC journalistic practice, and as we shall see in the next chapter Trethowan explicitly stated that the BBC's constitutional position should not impact on its journalism. It is hard to see though how the BBC's mysterious 'news values' could have no relationship at all with the Corporation's external political circumstances. As Aubrey Singer noted in the memo quoted in the opening to this chapter, there was in reality a direct link between journalistic practice and what he termed the BBC's 'politics of survival'.<sup>141</sup> Ultimately, as this

chapter has sought to illustrate, the ambiguity over the BBC's autonomy *vis-à-vis* the state is resolved by the government's power of appointments, its control over BBC finances and its power to renew (or not renew) the Charter. These significant (though still limited) forms of control in turn shape the environment in which professional notions of journalistic practice are realised. The process whereby changing external political circumstances become internalised through alterations to corporate culture and working practices are of course complex and during periods of significant social change or national crisis it can entail considerable conflict and contradictions. This was true during the political and economic crisis of the 1970s and perhaps even more so under the more fundamental changes that would be introduced during the neoliberal era, which are the subject of Part II of this thesis. Such complexity, however, should not disguise the simple fact that the BBC has never been truly independent in any meaningful sense.

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<sup>1</sup> BBC Written Archives Centre, T62/97/1 News and Current Affairs Policy Coverage General 1968-1976 Aubrey Singer, memo to E.N.C.A through D.P.Tel, 8 May 1972.

<sup>2</sup> Interview with Michael Bett, 23 June 2011.

<sup>3</sup> Greene, *The Third Floor Front*, 125.

<sup>4</sup> *Ibid.*, 133.

<sup>5</sup> Stuart Hood, *On Television* (London: Pluto Press, 1987), 49.

<sup>6</sup> Greene, *The Third Floor Front*, 123.

<sup>7</sup> Cited in Scott Lucas, 'COLD WAR: The British Ministry of Propaganda', *Independent*, 26 February 1995, accessed 19 December 2014, <http://www.independent.co.uk/voices/letters/rear-window--cold-war-the-british-ministry-of-propaganda-1574950.html>.

<sup>8</sup> Director of Operations, Secret, Director No.16, 'Propaganda Policy and Organisation'. Cited in Leon Comber, *Malaya's Secret Police 1945-60: The Role of the Special Branch in the Malayan Emergency* (Singapore: Institute of Southeast Asian Studies, 2008), 158.

<sup>9</sup> Christopher Andrew, *The Defence of the Realm* (London: Penguin, 2010), 396.

<sup>10</sup> Cited in BBC Written Archives Centre, T62/97/1 News and Current Affairs Policy Coverage General 1968-1976. Michael Balkwill, *Principles and Practise of News and Current Affairs*, June 1970.

<sup>11</sup> *Ibid.*

<sup>12</sup> Charles Curran, *A Seamless Robe* (London: Collins, 1979), 129.

<sup>13</sup> The Conscience of the Programme Director: an Address given by Sir Hugh Greene to the International Catholic Association for Radio and Television, Rome, 9 February 1965.

<sup>14</sup> Crissell, *British Broadcasting*, 100.

<sup>15</sup> Cited in Crissell, *British Broadcasting*, 94.

<sup>16</sup> Cited in Hood, *On Television*, 54.

<sup>17</sup> Duguid, Mark, nd. That Was the Week That Was (1962-63), BFI Screen Online, accessed 18 December 2014, <http://www.screenonline.org.uk/tv/id/583651/>.

<sup>18</sup> Greene, *The Third Floor Front*, 134.

<sup>19</sup> Hood, *On Television*, 54.

<sup>20</sup> National Archives, PREM 11/3668, Note from Prime Minister Harold Macmillan to the Post Master General, 10 December 1962.

<sup>21</sup> Quoted in Michael Tracey, *The Production of Political Television* (London: Routledge, 1977), 159.

<sup>22</sup> Cited in Asa Briggs, *Governing the BBC* (London: British Broadcasting Corporation, 1979), 190.

<sup>23</sup> Report of the Committee on the Future of Broadcasting, para.16.48.

<sup>24</sup> Cited in Briggs, *Governing the BBC*, 219.

<sup>25</sup> Briggs, *Governing the BBC*, 221.

<sup>26</sup> Burns, *The BBC*, 199.

<sup>27</sup> Cited in Briggs, *Governing the BBC*, 128.

<sup>28</sup> Tracey, *The Production of Political Television*, 162.

<sup>29</sup> John Fairhall, 'Liberty in peril, says Swann,' *Guardian*, 27 March 1976, 5.

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- <sup>30</sup> Victoria Wegg-Prosser, 'Thirty Years of Managerial Change at the BBC', *Public Money and Management* 21 no.1 (2001): 9-14.
- <sup>31</sup> 'Broadcasting unions reject BBC plans,' *The Times*, 17 July 1969, 2.
- <sup>32</sup> 'Policy On Radio Broadcasts: Opposition From Staff,' *The Times*, 14 February 1970, 9.
- <sup>33</sup> 'Opposition mounts in BBC to new programme plans,' *The Times*, 24 January 1970, 7.
- <sup>34</sup> David Hendy, *Life on air: a history of Radio Four* (Oxford: Oxford University Press, 2007), 56.
- <sup>35</sup> Burns, *The BBC*, 160.
- <sup>36</sup> Jackson, 'The Think-Tank Archipelago', 56.
- <sup>37</sup> Whitehouse's correspondences with Swann are detailed (however facetiously) in Ben Thompson, *Ban This Filth!: Letters From the Mary Whitehouse* (London: Faber and Faber, 2012).
- <sup>38</sup> A Harry Griffin, 'Mr Heath backlashes, too,' *Guardian*, 9 March 1970, 10.
- <sup>39</sup> Michael Swann, Education, the media and the quality of life: speech to the Headmasters' Association Annual Conference at St Catherine's College Cambridge, 26 March 1976.
- <sup>40</sup> Broadcasting and Politics. A speech given to the Guild of British Newspaper Editors at Coventry by Ian Trethown Director-General of the British Broadcasting Corporation Saturday, 22 October 1977.
- <sup>41</sup> BBC Written Archives Centre, Board of Management Minutes, 25 January 1971.
- <sup>42</sup> 'Obituaries: Oliver Whitley', *Independent*, 24 March 2005, accessed 27 December 2014, <http://www.independent.co.uk/news/obituaries/oliver-whitley-6149878.html>.
- <sup>43</sup> BBC Written Archives Centre, R78/2505/1 News and Current Affairs – Principles and Practice, Oliver Whitley, memo to The Secretary, 5 February 1971.
- <sup>44</sup> BBC Written Archives Centre, R78/2505/1 News and Current Affairs – Principles and Practice. *BBC News and Current Affairs: Principles and Practise* drafts of January and March 1971.
- <sup>45</sup> BBC Written Archives Centre, R78/2505/1 News and Current Affairs – Principles and Practice, John Crawley, Note to D.G. and C.I.S., 30 April 1971.
- <sup>46</sup> BBC Written Archives Centre, T62/97/1 News and Current Affairs Policy Coverage General 1968-1976, Meeting minutes, 30 January 1970.
- <sup>47</sup> Cited in Krishan Kumar, 'Holding the Middle Ground: The BBC, the Public and the Professional Broadcaster,' *Sociology* 9 no 1 (1975): 67.
- <sup>48</sup> Schlesinger, *Putting 'Reality' Together*, 137.
- <sup>49</sup> Burns, *The BBC*, 195.
- <sup>50</sup> BBC Written Archives Centre, T62/97/1 News and Current Affairs Policy Coverage General 1968-1976 Aubrey Singer, memo to E.N.C.A through D.P.Tel, 8 May 1972.
- <sup>51</sup> John Dearlove, 'The BBC and the politicians,' *Index on Censorship* 3 no.1 (1974): 23-34.
- <sup>52</sup> *Ibid.*
- <sup>53</sup> BBC Written Archives Centre, New and Current Affairs minutes, 7 December 1973.
- <sup>54</sup> BBC Written Archives Centre, New and Current Affairs minutes, 4 January 1974.
- <sup>55</sup> *Ibid.*
- <sup>56</sup> BBC Written Archives Centre, News and Current Affairs minutes, 11 January 1974.
- <sup>57</sup> BBC Written Archives Centre, Board of Governor minutes 24 January 1974.
- <sup>58</sup> *Ibid.*
- <sup>59</sup> BBC Written Archives Centre, News and Current Affairs minutes, 11 January 1974.
- <sup>60</sup> BBC Written Archives Centre, Board of Governor minutes 24 January 1974.
- <sup>61</sup> *Ibid.*
- <sup>62</sup> BBC Written Archives Centre, News and Current Affairs minutes, 25 January 1974
- <sup>63</sup> BBC Written Archives Centre, R78/1,204/1 NEWS POLICY, Extract from the Verbatim Report of the Proceedings of the General Advisory Council on 6 February.
- <sup>64</sup> *Ibid.*
- <sup>65</sup> *Ibid.* This comment that the BBC was later cited by Curran in an article in *The Listener* in June that year. It was a comment Curran said he 'cherished'. This sentimental notion of parliamentary democracy was in fact rather typical of the BBC in this period. In *The Task of Broadcasting News*, produced for the General Advisory Council in 1975, it was stated that, 'The BBC takes for granted that the parliamentary democracy evolved in this country is a work of national genius to be upheld and preserved.' Cited in Schlesinger, *Putting 'Reality' Together*, 167.

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- <sup>66</sup> BBC Written Archives Centre, R78/1,204/1 NEWS POLICY, Extract from the Verbatim Report of the Proceedings of the General Advisory Council on 6 February.
- <sup>67</sup> BBC Written Archives Centre, Board of Governor minutes, 7 February 1974.
- <sup>68</sup> BBC Written Archives Centre, R108/79/1 NEWS and CURRENT AFFAIRS POLITICAL BALANCE 1/1/70 - 31/8/89, Memo from Ian Trethowan, 6 February 1974.
- <sup>69</sup> *Ibid.*
- <sup>70</sup> BBC Written Archives Centre, News and Current Affairs minutes, 15 February 1974.
- <sup>71</sup> Burns, *The BBC*, 195.
- <sup>72</sup> Stuart Hood, 'News from Nowhere?,' *International Socialism* 68, (1995) available from <https://www.marxists.org/history/etol/newspape/isj2/1995/isj2-068/hood.htm>.
- <sup>73</sup> Des Freedman, 'Modernising the BBC: Wilson's Government and Television 1964-1966,' *Contemporary British History* 15 no.1 (2001): 21-40.
- <sup>74</sup> Burns, *The BBC*, 256.
- <sup>75</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Note of dinner hosted by Lord Aldington attended by Harold Wilson, Robert Armstrong and Sir Michael Swann on 23 January 1974.
- <sup>76</sup> *Committee on the Future of Broadcasting*, 420.
- <sup>77</sup> *Committee on the Future of Broadcasting*, 421-2.
- <sup>78</sup> *Committee on the Future of Broadcasting*, 420.
- <sup>79</sup> BBC Written Archives Centre, Board of Governors meeting minutes, 7 March 1974.
- <sup>80</sup> BBC Written Archives Centre, General Advisory Council meeting minutes, 17 July 1974.
- <sup>81</sup> Peter Cole, 'Foot attacks BBC pay rise,' *Guardian*, 8 October 1974, 28. Keith Harper, 'Harold crosses his contract bridge,' *Guardian*, 9 October 1974, 6.
- <sup>82</sup> BBC Written Archives Centre, General Advisory Council meeting minutes, 17 July 1974.
- <sup>83</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Minute from Harold Wilson to the Home Secretary, 30 October 1974.
- <sup>84</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Minute from Denis Healey to Harold Wilson, 7 November 1974.
- <sup>85</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Minute from Roy Jenkins to Harold Wilson, 12 November 1974.
- <sup>86</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Memo on BBC Licence Fee to the Prime Minister from John Hunt, 27 January 1975.
- <sup>87</sup> National Archives, CAB 12918114, BBC Licence Fee. Memorandum by the Secretary of State for the Home Department, 22 January 1975.
- <sup>88</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Memo on BBC Licence Fee to the Prime Minister from John Hunt, 27 January 1975. Emphasis in original.
- <sup>89</sup> Alasdair Milne, *DG: The Memoirs of a British Broadcaster* (London: Hodder and Stoughton, 1988), 77-9.
- <sup>90</sup> Interview with Michael Bett, 23 June 2011.
- <sup>91</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Memo on BBC Licence Fees to the Prime Minister from Chief Secretary to the Treasury, 22 July 1977.
- <sup>92</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Memo on Broadcasting Licences to the Prime Minister from John Hunt, 15 July 1977.
- <sup>93</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Memo on BBC Licence Fees to the Prime Minister from Home Secretary, 21 July 1977.
- <sup>94</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Memo on BBC Licence Fees to the Prime Minister from Chief Secretary to the Treasury, 22 July 1977.
- <sup>95</sup> *Ibid.*
- <sup>96</sup> Kenneth Gosling, 'BBC chief warns staff against pay defiance,' *The Times*, 11 August 1977, 4.
- <sup>97</sup> 'BBC staff vote in favour of free pay bargaining,' *The Times*, 25 August 1977, 2.
- <sup>98</sup> Keith Harper, 'Blackout threat in BBC pay row,' *Guardian*, 22 October 1977, 1.
- <sup>99</sup> Martin Huckerby, 'Pay dispute at BBC may lead to blackout,' *The Times*, 25 October 1977, 2.
- <sup>100</sup> 'Latest appointments,' *The Times*, 15 October 1977, 16.
- <sup>101</sup> Interview with Michael Bett, 23 June 2011.



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- <sup>102</sup> Geoffrey Owen, 'Weinstock, Arnold, Baron Weinstock (1924–2002)', *Oxford Dictionary of National Biography*, Oxford University Press, Jan 2006; online edn, Jan 2011, accessed 29 March 2012, <http://www.oxforddnb.com/view/article/77068>.
- <sup>103</sup> Interview with Michael Bett, 23 June 2011.
- <sup>104</sup> *Ibid.*
- <sup>105</sup> *Ibid.*
- <sup>106</sup> 'Union calls off BBC blackout,' *Guardian*, 14 January 1978, 2.
- <sup>107</sup> Milne, *Memoirs of a British Broadcaster*, 82-3.
- <sup>108</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Memo on Television Licence Fees to Nick Sanders to John Chilcot, 20 November 1978.
- <sup>109</sup> BBC Written Archives Centre, R1/241/4 BOARD OF GOVERNORS, MINUTES 1978, Minutes of Board Meeting held on 5 October 1978.
- <sup>110</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Minute on Television Licence Fees to the Prime Minister from Home Secretary, 2 November 1978.
- <sup>111</sup> *Ibid.*
- <sup>112</sup> *Ibid.*
- <sup>113</sup> National Archives, PREM 161516 BBC. Financing the BBC - TV licence fee increases. Memo on Television Licence Fees to James Callaghan from Denis Healey, 16 November 1978.
- <sup>114</sup> Kenneth Gosling, 'New TV licence fee inadequate, BBC says,' *The Times*, 25 November 1978, 1.
- <sup>115</sup> Ian Trethowan, *Split Screen* (London: Hamish Hamilton, 1984), 167.
- <sup>116</sup> BBC Written Archives Centre, R1/241/4 BOARD OF GOVERNORS, MINUTES 1978, Minutes of Board Meeting held on 7 September 1978.
- <sup>117</sup> BBC Written Archives Centre, R1/241/4 BOARD OF GOVERNORS, MINUTES 1978, Minutes of Board Meeting held on 5 October 1978.
- <sup>118</sup> BBC Written Archives Centre, R1/241/4 BOARD OF GOVERNORS, MINUTES 1978, Minutes of Board Meeting held on 21 September 1978.
- <sup>119</sup> BBC Written Archives Centre, R1/241/4 BOARD OF GOVERNORS, MINUTES 1978, Minutes of Board Meeting held on 2 November 1978.
- <sup>120</sup> Trethowan, *Split Screen*, 169.
- <sup>121</sup> BBC Written Archives Centre, R1/241/4 BOARD OF GOVERNORS, MINUTES 1978, Minutes of Board Meeting held on 30 November 1978.
- <sup>122</sup> Trethowan, *Split Screen*, 170.
- <sup>123</sup> *Ibid.*, 167.
- <sup>124</sup> BBC Written Archives Centre, R1/241/4 BOARD OF GOVERNORS, MINUTES 1978, Minutes of Board Meeting held on 14 December 1978.
- <sup>125</sup> *Ibid.*
- <sup>126</sup> *Ibid.*
- <sup>127</sup> *Ibid.*
- <sup>128</sup> Trethowan, *Split Screen*, 170.
- <sup>129</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 9 January 1979.
- <sup>130</sup> Julian Coles, 'Strike Blacks Out BBC,' *Guardian*, 21 December 1978, 1. 'The battle of the blank screens,' *Guardian*, 22 December 1978, 1.
- <sup>131</sup> Keith Harper, 'Minister's hint led to the BBC pay rise,' *Guardian*, 3 January 1979, 2.
- <sup>132</sup> BBC Written Archives Centre, R1/241/4 BOARD OF GOVERNORS, MINUTES 1978, Minutes of Board Meeting held on 25 January 1979.
- <sup>133</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 23 January 1978
- <sup>134</sup> BBC Written Archives Centre, R1/241/4 BOARD OF GOVERNORS, MINUTES 1978, Minutes of Board Meeting held on 11 January 1979.
- <sup>135</sup> BBC Written Archives Centre, R1/241/4 BOARD OF GOVERNORS, MINUTES 1978, Minutes of Board Meeting held on 25 January 1979.
- <sup>136</sup> BBC Written Archives Centre, R1/241/4 BOARD OF GOVERNORS, MINUTES 1978, Minutes of Board Meeting held on 22 February 1979.
- <sup>137</sup> BBC Written Archives Centre, R1/241/4 BOARD OF GOVERNORS, MINUTES 1978, Minutes of Board Meeting held on 22 March 1979.

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<sup>138</sup> BBC Written Archives Centre, R1/241/4 BOARD OF GOVERNORS, MINUTES 1978, Minutes of Board Meeting held on 5 April 1979.

<sup>139</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 12 December 1978.

<sup>140</sup> Interview with Michael Bett, 23 June 2011.

<sup>141</sup> BBC Written Archives Centre, T62/97/1 News and Current Affairs Policy Coverage General 1968-1976 Aubrey Singer, memo to E.N.C.A through D.P.Tel, 8 May 1972.

## Chapter 4

### Bias? What Bias?: The BBC and the ‘Winter of Discontent’

On the events of January and February, 1979, [Michael English] had taken the precaution of checking opinions with a variety of people. Those who did not possess television sets said that they had been unaware of a winter of discontent, though they had heard about it on radio.

– Minutes of the BBC General Advisory Council meeting, 24 October 1979.<sup>1</sup>

[T]he long and short of it was that the way the stories were breaking and the potential mould into which the material was poured did tend to redound to the advantage of the employers and the disadvantage of the workers.

– Andrew Taussig, Special Assistant to Director, News and Current Affairs, 1979–80.<sup>2</sup>

This chapter considers the BBC’s role during and leading up to the winter of 1978/9. This was the most significant period of industrial action since the General Strike of 1926 and in retrospect represented a key turning point in British political history. In his memoirs the BBC Director-General at that time, Ian Trethowan, writes of his belief ‘that elections are usually won or lost on fairly fundamental popular judgements, and that the Callaghan Government lost because of the “winter of discontent.”’<sup>3</sup> Anyone with a passing familiarity with British political history will understand to what Trethowan is referring to here. Rubbish piling up in the streets, the dead lying unburied. These are the enduring images of that winter – all taken to be symptoms of a government held to ransom by militant trade unionists and a nation in terminal economic decline. The sense of crisis that developed that winter, and the perception of government complacency, appears to have had a devastating impact on the Labour Party. Before that winter it was slightly ahead in the polls. By February 1979 the Conservative Party enjoyed an 18% lead and went on to win a strong majority of 43 seats in the May election. The impact of the ‘Winter of Discontent’ though was greater than that single electoral victory. As the former Labour Minister William Rodgers noted as early as 1984, ‘The “Winter of Discontent” was to echo down the years.’<sup>4</sup> The mythology built around that winter, of an overly powerful trade union movement and a bankrupt post war consensus later provided the justification for the assault on organised labour and the dismantling or remoulding of the institutions of the social democratic state. Perhaps even more significantly though, as James Thomas has argued,<sup>5</sup> the political mythology of the ‘Winter of Discontent’ served to sustain the neoliberal project and to demoralise opposition and resistance – to convince people that, in Thatcher’s famous phrase, ‘there is no alternative’.

Whatever it’s enduring persuasive power though, what is remarkable about the dominant interpretation of the *significance* of that winter is how far it diverges from historical reality. Whatever it might be politically expedient to believe, the protracted economic crisis of the 1970s, which the industrial disputes of that winter came to symbolise, was not caused by trade union agitation, or by Keynesian economic (mis)management. Its principal cause was the financial crash of 1973, the effects of which were heightened by the Conservative government’s policy of financial deregulation under Edward Heath. Macroeconomic indicators had in fact showed a slow but notable recovery under Labour, with unemployment and inflation both significantly reduced by 1978. The fallaciousness of the dominant discourse around the ‘Winter of Discontent’ has been most persuasively demonstrated by the political scientist Colin Hay. In an article entitled ‘The “Winter of Discontent” Thirty Years On’, Hay scrutinises the ‘core elements of the popular mythology’ and finds each to be highly questionable, if not completely baseless. On economic policy, he concludes that, ‘The notion that this was a crisis of Keynesianism to which monetarism was a (necessary) response is difficult to reconcile with the empirical record’.<sup>6</sup> Similarly on the question of an overly powerful trade union movement, he writes that though this is ‘perhaps the most pervasive and enduring myth of

the Winter of Discontent, it is quite impossible to reconcile with what actually happened.’<sup>7</sup> Hay points out that far from being the power behind the throne of popular imagination, the trade unions in the late 1970s were really only able to exercise veto powers over aspects of Labour Party policy. Indeed, it can be argued that it was precisely the trade unions’ inability to influence government policy in the interests of their members which led to the industrial actions that winter since if unions exerted such influence then they would not have found themselves in opposition to government policy.

If Hay is correct, and the evidence is considered in more detail below, how is it then that an interpretation which diverges so starkly from reality came to dominate perceptions of this period? No doubt as Thomas argues the propaganda of the Conservative Party and their allies in the right-wing press played a crucial role.<sup>8</sup> A fuller understanding, however, requires that we consider the role of television and radio. It is argued in this chapter that though the BBC was committed to the social democratic consensus, it consistently favoured interpretations which blamed workers and trade unions for economic problems, and thus helped create a climate in which the radical politics of the New Right could flourish and in which its audacious myth-making could appear credible.

In what follows I provide an account of the BBC’s role in the ‘Winter of Discontent’ based on the BBC’s internal records, as well as interviews and declassified government files. We begin (by way of context) with an account of economic policy and industrial relations during the 1970s, moving then to a brief description of the events of that winter. Building on some of the detail provided in Chapter 2, we then consider the BBC’s policies on industrial reporting in the years leading up to the winter of 1978/9, before considering in detail its news and current affairs journalism that winter and its response to external criticisms. The overall picture, it is argued, is one of a broadcasting elite which was by no means complacent in its professional obligations, but which refused to depart from, or for the most part even seriously question, long standing editorial conventions and professional norms – norms which had been developed, as John Birt and Peter Jay put it, ‘under the shadow of the state and the other main repositories of power’.<sup>9</sup>

### **Freedom for capital, discipline for labour**

The 1970s were a period of protracted economic crisis which began under the Conservative government of 1970-4. The Prime Minister Edward Heath manufactured a short-lived boom – limited for the most part to the property and financial markets – by introducing tax cuts, de-regulating bank lending, floating the pound and cutting interest rates. These measures were combined, particularly from 1972, with a range of subsidies and incentives for private investors, most notably with the passing of the Industry Act that year. Whilst finance was de-regulated and business subsidised, the Conservative government sought to regulate organised labour through its Industrial Relations Act 1971, and to pressurise trade unions into agreeing to wage restraints. The Act sought to restrict strike action through the introduction of a compulsory sixty-day ‘cooling-off period’ and a requirement for a secret ballot to be taken before all actions. The measures were similar to those proposed in the Labour government’s 1969 white paper *In Place of Strife*, which had been opposed by the trade unions and defeated by the Parliamentary Labour Party. Heath’s Industrial Relations Act 1971, though it passed into law, was opposed by the unions and was rarely used by employers before being repealed by the Labour government. Trade unions were also successful in resisting Heath’s efforts to restrict members’ wages, the most spectacular example of which was the unexpected victory of the National Union of Mineworkers (NUM) in February 1972 – their first major strike since 1926.

Heath’s ‘dash for growth’ came crashing down in October 1973 with the worldwide economic slump, the Yom Kippur War and the subsequent hike in oil prices. Responding to the increased value of coal and the greater demand for its members’ labour, the NUM sought a further wage increase, announcing an overtime ban in November 1973. The Heath government responded by declaring a state of emergency and introducing the Three Day Working Week. After the NUM voted for strike action, Heath responded by calling a General Election, challenging the trade unions with the slogan ‘Who Governs Britain?’.

Heath lost his parliamentary majority and after failing to form a coalition with the Liberals gave way to a minority Labour government which subsequently won a slim majority in a second General

Election in October that year. The new government inherited a record deficit of £383 million, as well as record levels of inflation, which were 20% and rising. As Fielding notes:

The [Labour] Party came to power at the end of a post-war 'golden age' of sustained economic growth and full employment. Thanks to the mismanagement of Edward Heath's Conservative administration the British economy was already experiencing severe economic problems – massive industrial discontent, rising inflation and declining production – although every industrial nation was hit hard when in 1973 the oil price quadrupled. To drag the country back from this brink Labour's leaders looked to the trade unions for help.<sup>10</sup>

It was expected that the Labour Party's relationship with the trade unions would make its management of the economy more practicable and this new partnership was symbolised by the so called Social Contract. This corporatist arrangement included a number of significant features beneficial to working people, but over time became in large part an incomes policy. Whilst British business had been alarmed by the apparent leftward shift in the Labour Party in 1974, after 1976 'the political threat to business by government policies grew negligible, whilst the concessions gained were substantial.'<sup>11</sup> In the years up to 1978 inflation and unemployment declined – with the former cut from 27% to single figures. So too, however, had the living standards of Labour voters. Between 1975 and 1978, real wages fell by over 13%; the greatest reduction since the time of the Great Depression.<sup>12</sup> By 1978 counter-inflationary pay restraint had come under increasing strain and any further reductions were thought by union leaders to be unrealistic.<sup>13</sup> However, by January 1978 the Prime Minister James Callaghan was determined that the new pay round – Phase 4 of the Social Contract, due to begin that August – should see wage increases restricted to 5%. This was at a time when inflation remained at around 8%, meaning a further decline in living standards. The Chancellor of the Exchequer Denis Healey later described the 5% figure as 'provocative as well as unattainable' and as 'typical of the hubris which can overcome a successful government towards the end of its term.'<sup>14</sup>

Trade union leaders did not take the 5% figure seriously, expecting that Callaghan would call a General Election for October 1978 and that a more flexible approach to wages might follow the anticipated Labour victory.<sup>15</sup> But Callaghan angered the unions, and surprised everyone else, by announcing in September 1978 that there would be no early autumn election. This decision put the Labour government on a collision course with trade union leaders, and more particularly union members, and led to the series of strikes that winter. At the Labour Party conference in October the trade unions passed a motion condemning the government's incomes policy, technically committing the party to campaigning against it. On the final day of the conference the first great strike of that winter, at the Ford Motor Company, was made official.

Ford had made substantial profits in the relative economic recovery and its chair, Terence Beckett, had only recently been awarded an 80% pay rise. After several weeks negotiation the company responded to the claim for a 30% pay rise offering 17%, more than three times the government's 'guideline'. The protracted industrial dispute at Ford undermined the government's policy of pay restraint in the private sector and by the time of the settlement more than 200 companies had agreed to pay rises in excess of 5%.<sup>16</sup> The government's pay policy allowed for punitive measures against companies that breached its guidelines, but these were opposed by the CBI and the Conservative Party who narrowly won a Commons motion defeating the sanctions in mid-December. The next major industrial dispute in the private sector was an overtime ban by BP and Esso tanker drivers in December in support of a 40% pay increase. Then, in early January 1979, an unofficial strike by lorry drivers began, which was made official by the Transport and General Workers Union (TGWU) on 11 January. Since the road haulage industry was not effectively unionised, the dispute involved the widespread use of secondary picketing. The government considered declaring a state of emergency and on 17 January the Prime Minister asked the Home Secretary to prepare to mobilise troops. The dispute ended in a piecemeal fashion in different regions, with settlements of around 15-20%.

In January and February there were major strikes in the public sector, which included some of Britain's lowest paid workers. The various public disputes climaxed with a 'Day of Action' on 22

January and a march in support of a basic minimum wage of £60 a week. This was the largest single day of industrial action since the General Strike. As Hay notes:

It is the footage that this generated, together with that of the ensuing series of typically one-day and frequently unofficial stoppages on the railways, among local government workers, school porters, ancillary workers in the NHS and, in very small numbers, Liverpool and Tameside grave-diggers that is still etched into the public consciousness as the Winter of Discontent.<sup>17</sup>

Following the Day of Action, public sector union leaders were in constant negotiation with the government and on 14 February they reached agreement – known as the Valentine’s Day concordat. Some disputes however continued until mid-March. At the end of that month James Callaghan’s government lost a vote of no confidence in the House of Commons and in May 1979 the Conservative Party won a comfortable victory in the general election.

### **BBC journalism during the ‘Winter of Discontent’**

The most extensive empirical examination of the BBC’s industrial reporting during the 1970s was conducted by the Glasgow University Media Group. It found that the BBC (and ITN) routinely blamed workers and trade unions for Britain’s economic problems, marginalising other explanations for Britain’s economic problems such as underinvestment:

Our analysis goes beyond saying merely that the television news ‘favour’ certain individuals and institutions by giving them more time and status. Such criticisms are crude. The nature of our analysis is deeper than this: in the end it relates to the picture of society in general and industrial society in particular, that television news constructs. This at its most damaging includes, as in these case studies, the laying of blame for society’s industrial and economic problems at the door of the workforce. This is done in the face of contradictory evidence which, when it appears, is either ignored or smothered...<sup>18</sup>

The crucial point here is that the BBC’s bias<sup>19</sup> against organised labour – which was most persuasively evidenced by the Glasgow University Media Group in *Bad News* – remained unresolved by the winter of 1978/79. Not only did the same editorial practices and professional norms remain in place, but the BBC had by then for years been misrepresenting industrial and economic issues, setting a powerful underlying explanatory framework for public understanding.

We saw in the last chapter how the BBC leadership during this period did its utmost to keep the BBC within the boundaries of government pay policy. It was motivated in no small part by the financial control the government wielded over the BBC, but as Trethowan’s memo quoted at the end of the chapter suggests, its stance was also a reflection of its long established identification as an ‘organisation within the constitution’, which was first developed during the General Strike. In 1978, Schlesinger had pointed out the contradictory nature of the BBC’s claims to be both ‘within the constitution’ and yet politically impartial<sup>20</sup> and during the winter of 1978/9 this was a contradiction of which the BBC leadership were acutely aware. Whilst stressing the constitutional obligation to comply with government policy, the BBC’s leadership emphasised the need to remain journalistically objective. Whilst emphasising that the BBC cannot undermine government policy, Trethowan also emphasised that: ‘The BBC as journalist, however, has not only the right but the duty to report on the policies of the Government, even if such reports do affect those policies.’<sup>21</sup>

Whether the BBC was living up to this duty had been questioned at the beginning of the winter by George Fischer, the Head of Talks and Documentaries, Radio. According to the minutes of a News and Current Affairs meeting held in early October, Fischer said he ‘felt that the cumulative effect of BBC coverage of phase 4 of the pay policy was beginning to leave behind it the implication that observance of the 5% pay limit was in the national interest and not just an element of Government policy’. He said he thought more care should be taken in reporting this issue, and the Editor of Television News Alan Protheroe agreed.<sup>22</sup>

Putting industrial disputes into context by relating them to government policy was seen by the BBC as part of the job of its industrial correspondents.<sup>23</sup> The question of the 'national interest' however was less well defined and the BBC had been somewhat inconsistent as to whether such a notion should be allowed to impact on BBC journalism. A BBC paper called *BBC News (Domestic)*, commissioned by the Director-General in December 1973, for example, expressed considerable scepticism about the concept, noting that 'there is for most of the time no consensus on what the national interest is' and that such appeals 'are for the most part really appeals to sectional interests'.<sup>24</sup> However, in *The Broadcasting of News*, an internal paper prepared for the General Advisory Council shortly afterwards, it was stated that:

The BBC has an over-riding duty to give the facts, but in doing so it cannot disregard the national interest. ... Perhaps it is not surprising that most journalists tend to be wary of concepts such as the national interest. ... But they must also be aware of the fact that the BBC, as a corporate citizen, can never be above or outside the nation; it is always a part of it.<sup>25</sup>

Whatever the BBC's underlying notion of its national obligations, such considerations did not feature highly in internal discussions during the winter of 1978/9. George Fischer's comments that October were unusual. In general discussions of the strikes and of government pay policy at the weekly News and Current Affairs meetings were not attentive to the political or social context, but rather tended to be focused on the maintenance of professional standards such as the avoidance of sensationalism, 'editorialising' or inaccurate reporting. The Board of Governors, the BBC body which one might most expect to consider the political and social impact or significance of its output, was not especially preoccupied with the BBC's industrial reporting during that winter. The minutes of its meetings record no discussion at all of the coverage of the industrial unrest in January or February 1979. Some members of the General Advisory Council and the Consultative Group on Industrial and Business Affairs (CGIBA) raised serious concerns about BBC coverage in February, as well as in later months, but both bodies were highly divided and in any case operated only in an advisory capacity. In general, in contrast to the 1973/4 crisis, during the 'Winter of Discontent' pressure on the BBC does not appear to have been particularly significant. Such as it was, it came mainly from the left of the labour movement, which was increasingly alienated.

The first substantive discussion of the BBC's industrial reporting that winter took place on 14 November 1978; the same day the joint TUC-government statement on pay policy was rejected by the TUC General Council and by which time the Ford dispute had run for over eight weeks. Senior editors were played a tape of a speech made by Tony Benn at a Tribune meeting in Birmingham in which he was highly critical of newspapers and broadcasters, complaining that they were 'utterly committed to the status quo'. On industrial reporting he said that coverage tended to focus on surface tensions rather than the underlying causes of ill-feeling and criticised the BBC's Industrial Correspondent Ian Ross specifically.<sup>26</sup>

There were some signs of weariness when the members of the News and Current Affairs meeting discussed Benn's criticisms. According to the minutes, 'Members of the meeting agreed that Mr. Benn's charges were familiar,' whilst the Chief Assistant to the Director-General, Peter Scott, noted that, 'The ideas he was advancing, though clearly central to his thinking, had all appeared before in People and the Media.' Scott also commented that he thought Benn was 'claiming that what was in fact a minority view should be treated as though it were held by a majority.'

It is notable though that on the question of industrial reporting specifically, the members of the meeting appeared more or less sympathetic to Benn's claims. The most senior member of the meeting, Richard Francis, who said he considered Benn's naming of Ian Ross 'disgraceful and unjustified', nevertheless said he thought that his criticisms of industrial reporting 'did deserve serious consideration'. The producer, Michael Blakstad, said that 'there was some substance here in what Mr. Benn had said' and noted that 'similar charges were often heard in other quarters, not merely from the Left'. Later on in the discussion Blakstad warned that 'the IBA did seem to be trying to steal a march on the BBC in the whole area of industrial and business affairs.'<sup>27</sup> None of the members of the meeting claimed that the BBC's industrial news was wholly adequate, or that Benn's criticisms were

baseless. Richard Francis concluded the discussion by saying he would consider an appropriate response to Benn's comments. He also noted that he would shortly be announcing the appointment of a new Special Assistant, Andrew Taussig, whose duties, he said, would include collecting and circulating information on 'what was already being done by the BBC in covering the type of subject described by Mr Benn', which he said was 'not widely known even within the BBC'.<sup>28</sup>

Benn's criticisms were discussed by the BBC Governors two days later. Stella Clarke, a theatre director from Bristol appointed a Governor in January 1974, said she had a certain sympathy with Benn when he complained that the media did not sufficiently explain the background to disputes. The Governor for Wales, Tegai Hughes, agreed and said the strike at Ford was an example of this. 'Whatever Current Affairs did,' he said, 'one would not have learned the full story from News.' Despite the News and Current Affairs meeting having earlier agreed that current affairs was more effective in its industrial reporting than news, Richard Francis nevertheless said he disagreed with Tegai Hughes and pointed to two news reports which he said had adequately explained the background to industrial disputes.

Francis was more critical of Benn than he had been at the News and Current Affairs meeting. He said that *some* of his criticism 'could not be dismissed' but described his speech as a 'diatribe' and said that he 'sung an old song'. When Stella Clarke later suggested that Francis might meet with Benn to discuss his criticisms, the minutes record that, Francis 'was not keen, given that he would have to raise with Tony Benn the disgraceful references in his speech to Ian Ross.' Along with the other senior management figures present, Francis appears to have objected to the suggestion of providing more information on the background and context of strikes. The Director-General Ian Trethowan said he 'hoped it was not being suggested that every news bulletin had to go back over the whole background to an industrial dispute,' adding that, 'no strike has ever ended on exactly the issue on which it had begun.' Francis said it was difficult to get management to go back over the root causes in the middle of a strike and Alasdair Milne said that the reasons for a strike were often too complex for easy presentation.<sup>29</sup> At the end of the discussion it was agreed between Stella Clarke and Richard Francis that Benn's comments would be considered by the CGIBA (which was not due to meet until 5 February 1979), and that the Board of Governors would then consider whether to pass their views on to Benn.<sup>30</sup>

There was then no further substantive discussion of the BBC's coverage of strikes and pay policy during November or December. The vast majority of discussion took place after the public sector workers' Day of Action on 22 January 1979 – the climax of what was referred to in the BBC's internal report on the strikes as the 'third phase of the troubles'.<sup>31</sup> At the News and Current Affairs meeting held the day after the Day of Action, Richard Francis opened the discussion by saying that

[He] had received various minor grumbles about different aspects of the radio and television coverage. Most of them, it turned out could not be substantiated. The story continued to be difficult to cover and to carry with it the dangers of pre-judgement, against which we had to be on our journalistic guard.<sup>32</sup>

The only major areas of concern discussed on that occasion were the use of anti-government newspapers in BBC programmes (discussed further below) and certain comments made by presenters of Radio 4's *Today* programme in linking items. The one such comment specifically discussed was made by John Timpson on the morning of 19 January, when he remarked that, 'Brian Redhead will be back on Monday with a *brand new* set of strikes to report on!' Two members of the meeting said they thought this was 'a quite truthful and accurate remark'. Richard Francis commented though that whilst 'John Timpson could get away with [it]... the distinction between a joke and a comment was always a fine one.' One specific example of highly partisan interviewing was referred to towards the end of the meeting. The minutes for this section of the discussion are reproduced in full below:

One of the less well-judged questions brought to his attention, said [Richard Francis] D.N.C.A., came in an interview with a NUPE [National Union of Public Employees] man in Harrow who had complained that NALGO [National and Local Government Officers Association] members were crossing the NUPE picket lines. The interviewer had said:



I'm not sure whether anyone is sympathetic to pickets at the moment. For the past fortnight I would have thought that everyone had got heartily sick of hearing the word 'picketing' and at some of the tactics we've heard of up and down the country.

Peter Woon thought the wording would have been more acceptable if the interviewer had left out the words: 'I would have thought'. [Richard Francis] D.N.C.A. agreed the question had been too subjective but it had also contained unsubstantiated assertions. Anthony Rendall (Man.Ed.C.A.R.) said this had been the work of one of the less experienced interviewers on *Today*, and had not come out as the Editor would have wished. [Richard Francis] D.N.C.A. said it were better it had come out.<sup>33</sup>

In general the members of the meeting were pleased with the BBC's coverage. Stan Taylor for example said he 'thought the coverage of the present problems had been better than the coverage of any previous industrial troubles. Real efforts had been made to check statements, to get out and see what was happening and to put pay rates into perspective.' The meeting also noted that Tony Benn had recently criticised the BBC's coverage of the disputes; claiming that ITN's coverage of the strikes had been much fairer and that the BBC had broadcast what amounted to a series of denunciations of the unions. The minutes record no discussion of his criticism.<sup>34</sup>

A further discussion of BBC industrial reporting took place at the News and Current Affairs meeting the following week in response to a letter published in the *Guardian* that morning. The letter was signed by two Labour Peers and two Labour MPs. The lead signatory was Lord Aylestone, a former chairman of the Independent Television Authority who would later join the Social Democratic Party. Another was the future Labour Leader Neil Kinnock, then a left-wing backbencher. The letter read:

Working people do not strike and stand on picket lines in cold and nasty weather out of sheer bloody-mindedness. In the present difficulties it is clear their case has not been adequately or fairly presented to the public... The newspapers and television portrayed the pickets not as the average decent working-men most of them are, but – on scanty and tenuous evidence – as selfish, callous militants engaged in intimidation and violence.<sup>35</sup>

It had not mentioned the BBC specifically and was mainly directed at the press, but the reference to television could only mean ITN and the BBC. During the discussion of the letter, Andrew Taussig, who had recently been appointed a Special Assistant to Richard Francis, queried whether 'the BBC was adequately reflecting the basic hostility of many trade unionists to society as currently organised, especially the obviously unequal way in which wealth was distributed.'<sup>36</sup> This comment was the only reference to inequality in the minutes of the News and Current Affairs meetings during the whole of that winter and it was not welcomed by the other members of the meeting. George Fischer asked if Andrew Taussig meant to refer to income or to wealth and dismissed any consideration of the latter as 'pointless and academic'. Peter Scott, the Chief Assistant to the Director-General, said that he thought the unions appeared to be against greater equality if it meant allowing wage increases for the lower paid and Peter Ibbotson, the editor of *Newsweek*, agreed. Returning to the *Guardian* letter, Richard Francis said he thought the criticisms were 'unsubstantiated' as regards the BBC's 'output as a whole' but said that he did feel there had been 'some lapses'.<sup>37</sup>

The BBC's Political Editor David Holmes noted at that meeting that there was 'some feeling among MPs that the BBC was not doing all it should to explain the position'.<sup>38</sup> He spent the next week monitoring the BBC's industrial output and reported back to the News and Current Affairs meeting that the problem as far as he could see it 'seemed to boil down to the *Today* programme and not the content of the reports themselves but to the tone of some linking remarks.' He said he 'had had detailed comments about them from a remarkable number of people.'<sup>39</sup> This summation of the problem had already been expressed by Richard Francis in an earlier meeting in which he said he 'thought that some of the concerns expressed stemmed from the attitude which seemed to be manifest in introductions and pay-offs to stories rather than in the reports themselves'.<sup>40</sup>

On 5 February 1979, the CGIBA met to discuss Tony Benn's speech on the media which, as noted above, had been referred to them by the Board of Governors in November. In general it was thought

that Benn's criticisms had been unjustified. The Chairman Frank Figures said he thought much of what Benn said was unfair. He added that he thought that industrial coverage needed to be expanded and noted that industrialists rarely appeared in programmes. The trade union leader Gavin Laird, who out of the group was the most sympathetic to Benn, said he agreed that the media trivialised issues and that the BBC 'reflected middle-class views'. However, he said he did not believe that there was 'some kind of conspiracy on the part of the media' against the unions and the left.<sup>41</sup> The Director-General Ian Trethowan said he 'did not recognise as valid the kind of criticisms Mr. Benn was making' but reassured the Group that the BBC 'was not complacent about its industrial coverage' and 'recognised that it still faced problems in that area.' Frances Cairncross, the *Guardian's* economics correspondent, had been unable to attend the meeting, but sent a letter with her views on Benn's speech. She said essentially that since Benn's views were not mainstream, it was wholly appropriate that they should be marginalised. She suggested though that there might be a case for 'the BBC to have something like the *Guardian's* Alternative Column – say a half hour slot once a week when an "extremist" was simply given the floor.'

At the same meeting the members of the CGIBA were shown three reports from *Tonight* on the industrial disputes. The strongest criticisms of these programmes came from Gavin Laird who said the report on the rail dispute had trivialised the dispute by presenting it in terms of the contrasting personalities of the leaders of the two rival unions. He said he would much rather have had interviews with train drivers themselves and other rail workers and that he had not learned much from the report about the substance of the dispute. He was also critical of *Tonight's* report on the NUPE dispute which had used actors to portray public sectors workers. When questioned on this, Roger Bolton explained that the *Tonight* team had thought about using graphics but it had been 'felt that using actors was more likely to engage the viewer's attention.'

### **The role of the trades unions**

As already noted, criticism of the BBC's reporting during the 'Winter of Discontent' came almost exclusively from the labour movement. It was the criticism from parliamentarians though, outlined above, that led to the most extensive discussions. The other major sources of criticism were the TUC and to a lesser extent the broadcasting unions.

As we saw in the previous chapter, during the 1970s the broadcasting unions became increasingly assertive, and during the 'Winter of Discontent' even the traditionally docile Association of Broadcasting Staff (ABS) began to challenge the 'editorial authority' of senior personnel. At the height of the BBC pay dispute in December, Richard Francis complained of 'recent occasions when industrial action, official or unofficial, had seemed to limit the freedom of editors.' Alan Protheroe, the Editor of Television News, was particularly irate. He said he was 'alarmed at arbitrary decisions... affecting his editorial independence' which he said 'interfered with practice accepted for 24 years'. Protheroe also complained that he had been discouraged from dismissing staff so as to not 'rock the boat'<sup>42</sup> and at another meeting in December, complained of having to defer to the branch chairman on editorial decisions. According to the minutes of a News and Current Affairs meeting, Protheroe complained that: 'After 27 years of a progressive career as a journalist he had thus been put into the position of having to abrogate his editorial authority to a junior member of staff.'<sup>43</sup>

Having broken the taboo of the 'editorial independence' during the pay dispute of December, the broadcasting unions moved towards more explicitly political actions, challenging the BBC's editorial positions. In February 1979, Peter Woon, the Editor News and Current Affairs, Radio, said he had been approached by ABS officials about opportunities for BBC staff to 'check, question, or comment on BBC output.' Staff had complained that they were treated by the BBC management as 'having less rights in this area than a member of the public.' Tony Banks, then the Assistant General Secretary of the ABS and later a Labour politician, at one stage contacted the BBC asking for recordings of the *Today* programme after union members had complained of its anti-union bias. In a subsequent meeting with Banks, Woon refused to provide the recordings claiming that complaints on the BBC's output from unions rather than individuals would 'lead to difficulties on legal grounds but also in maintaining the proper protection of News and Current Affairs Staff'.<sup>44</sup>

Further pressure from the broadcasting unions came in March when Alan Sapper, the General Secretary of the Association of Cinematograph, Television and Allied Technicians (ACCT), accused the media of anti-union bias on the *Today* programme and announced the creation of a union group to monitor news bulletins. When questioned by the BBC's reporter Gerald Butt, Sapper said that he did not blame BBC reporters for the shortcomings in BBC journalism, since they had their agenda set for them by 'the bosses'.<sup>45</sup>

At the News and Current Affairs meeting that followed, 'the bosses' ignored Sapper's allegations of bias and focused on how the Corporation should respond to such criticisms from 'pressure groups' and 'interested parties'. Richard Francis said he had received a note on this topic from Stephen Hearst, the chairman of the BBC's Future Policy Group, the BBC's in-house think-tank which had originally been set up to draft its submissions to the Annan Committee and which had recently been reconstituted to develop substantive responses to the BBC's critics. In December 1978 Hearst had explained to the News and Current Affairs meeting that

The present group had its genesis in the belief that in recent years the BBC had been intellectually too much on the defensive in the public debate about broadcasting. Up to, say, Sir Hugh Greene's time as Director-General it had been the BBC which had broken new ground in this debate; later, the outside world had made the running and the BBC had merely reacted to other people's initiatives.<sup>46</sup>

Hearst's March 1979 note to Dick Francis recommended that

that BBC presenters and interviews should be encouraged and equipped to defend the BBC against general attacks made by public figures in the course of interviews and should be on the alert for references which tended to blame 'the media' for current disasters.<sup>47</sup>

There followed a discussion as to what extent criticism should be responded to and when it should be ignored. The Head of Talks and Documentaries, Radio, George Fischer, backed the approach suggested in Hearst's memo but initially agreed with Peter Scott that 'good quality BBC programmes' were the most effective method of countering accusations of bias. He said the public were in the position of forming their own judgments, adding later that 'it was important not to mistake the BBC's critics for the public'. Peter Scott said that 'basically the answer was in the BBC's own integrity and the quality of its programmes' which he said would encourage members of the BBC's advisory boards to defend its output. The general consensus though, and the conclusion of the discussion, was that the BBC needed to more assertive in countering its critics, particularly when accusations are made on air as they had been by Alan Sapper. It was felt, particularly by Richard Francis, that the BBC had not been proactive enough in defending of its output. Francis warned that 'a sniping campaign which the BBC did not think worth countering might not always be self-defeating.' Michael Bunce, a former editor of the *Money Programme*, *Nationwide* and *Tonight*, said that 'more care should be taken when deciding that some attack was not worth a reply.' He said, 'It had been a mistake not to mount a substantial response to *Bad News*.'<sup>48</sup> During the course of this discussion, the documentary maker Tony Isaacs complained that: 'there was a whole generation now in journalism and politics who in their days at the London School of Economics in the 1960s had grown to believe that the BBC was fascist and everything else that was bad.'<sup>49</sup>

That particular discussion took place in March 1979. In June, by which time the Conservative Party had come to power, the TUC published a pamphlet criticising the media coverage of the 'Winter of Discontent'. The pamphlet, *Media coverage of industrial disputes January and February 1979: A cause for concern*, was produced by the TUC's Media Working Group which had been set up in December 1977. Its members included Alan Sapper, Tony Hearn of the ABS, Ken Ashton of the NUJ and the TUC Deputy General Secretary Norman Willis, who was also a member of the BBC's CGIBA.

*A Cause for Concern* alleged a systematic bias against trade unions in newspapers, radio and television and argued that the media had focused on the effects of the winter strikes rather than the causes and had exaggerated their negative impact. Much of the pamphlet was focused on the press,

but the relatively short section on radio and television criticised the ‘concentration on strikes, the emphasis on certain industries and jobs, the selection of news and the preference for effects rather than causes or solutions.’ It claimed that interviewees ‘frequently find they are forced to defend themselves from attacks on the effects of their action rather than being allowed to explain their case.’<sup>50</sup> It gave seven specific examples of what it alleged to be biased questioning on radio and television, of which six were from BBC programmes.<sup>51</sup>

*A Cause for Concern* was first officially discussed by the BBC at the News and Current Affairs meeting of 26 June 1979. Andrew Taussig, who was himself in the process of drafting a report on the BBC’s coverage, summarised the arguments made in the pamphlet for the members of the meeting. He said he thought it ‘showed a fair measure of understanding of the media – at least by comparison with certain other critiques which appeared from time to time.’ Richard Francis ‘emphasised the moderate tone of the booklet. It was not a shriek,’ he said, ‘But another call to the BBC to account for its performance. It should neither be dismissed nor over-reacted to.’<sup>52</sup>

There followed a discussion as to whether the BBC should draft guidelines for the coverage of future industrial disputes, but the meeting appears to have universally rejected this. Bernard Tate said that to devise a special approach to the trade unions would be ‘disastrous’ and that the BBC should ‘apply the usual standards of good judgment’. Peter Scott noted on this point that Edward Rayner of the CBI had recently written to enquire about whether such guidelines existed and whether, if so, they would be published. One suggestion for improvement that came from the discussion was the more extensive use of in-house specialists. This was suggested by the BBC’s Economics Editor Dominick Harrod who attributed the BBC’s failings to a lack of expertise, echoing the more elitist criticisms of broadcasting journalism associated with John Birt and Peter Jay.

The reason *A Cause for Concern* had been raised at that meeting was that the next afternoon Richard Francis and two other senior BBC figures were due to meet with Alan Sapper and Moss Evans of the Transport and General Workers’ Union (TGWU). The BBC men were apparently well prepared for the encounter. At the next News and Current Affairs meeting, Francis reported back that the three BBC journalists who attended the meeting ‘had had altogether too much ammunition for Moss Evans and Alan Sapper’. He said the meeting had ‘ended in affable disagreement’.<sup>53</sup>

*A Cause for Concern* was discussed for a second time at the News and Current Affairs meeting of 17 July 1979 along with another pamphlet called *How to handle the media: A guide for trade unionists*. Stan Taylor rejected what he took to be the pamphlet’s claim that the media had portrayed ‘all strikes and strikers as inherently bad’. Alan Ashton, a radio editor who had attended the meeting with Moss Evans and Alan Sapper, said he had himself found ‘cause for concern’ in ‘the fact that a number of Union leaders obviously believed there was a conspiracy against them, and that Alan Sapper of the ACCT appeared to think that media had a duty to support them’.<sup>54</sup> Richard Francis appears from the minutes to have remained fairly open minded about the TUC’s criticisms. He did however describe *A Cause for Concern* as a ‘rather selective’ document and noted that neither pamphlet addressed the issue of the unions’ relationship with the Labour Party. This he said was a ‘glaring omissions from the booklets’. This rather bizarre criticism had also been made by Andrew Taussig in the previous meeting.<sup>55</sup> Why a report by the TUC’s Media Working Group should have examined the unions’ relations with the Labour Party was never questioned by other members of the meeting and the fact that it was not is revealing of how casually the BBC was able to ignore criticism from the labour movement.

The only genuinely self-critical voice in the meeting was Roger Bolton, who was then editor of *Tonight*. In a discussion of Benn’s criticism of the media at the CGIBA in February, Bolton had said that ‘in the past the BBC’s industrial coverage might fairly have been criticised on the grounds of selection, but he did not think that this criticism any longer held good.’<sup>56</sup> Now though he said he thought there were three areas in which BBC coverage ‘might be open to criticism’:

First, there was a tendency to look at individual claims not on their own merits but always in relation to national policy. Second, in spite of a proper amount of explanation at the outset as to why disputes had arisen, what followed thereafter was inevitably the reporting of their continuation. This could not include repeated restatements of the issue,

and therefore threw emphasis on to effects rather than causes. Third, predicted effects had perhaps tended to become accepted as actual ones. How much subsequent checking had been done, he wondered, to discover whether people really had died in hospitals as a direct result of industrial action, or whether ICI had in fact suffered the losses which they had forecast?

Only Bolton's last point was further discussed at the meeting. In response, Richard Francis referred to a report by the BBC's Industrial Correspondent Martin Adeney during the strikes, which he said had concentrated on false alarms. Several other members of the meeting responded by stressing that the effects of the strike had been 'dire'. Stan Taylor said that as a result of the union's actions people 'had been unable to bury their dead' and 'there was still a backlog in hospitals'.

Regarding the criticism the TUC report directed specifically at the BBC, the Chief Assistant to the Director-General Peter Scott said 'he was not worried by such accusations, or by the booklets generally.' In what was perhaps an allusion to the General Strike he said:

The BBC had to understand that it 'could not win' on this issue. It was inevitable given the history of the Trade Union movement, that it would be seen as an 'establishment' organisation. What was sad, however, was that a publication such as *Bad News* by the Glasgow University Media Group, was being quoted as a work of authority.<sup>57</sup>

Sometime later this hostility towards the Glasgow University Media Group would be echoed by Roger Bolton – the most critical of that July 1979 meeting. In leaked minutes from a 1981 News and Current Affairs meeting, Bolton is recorded as saying that 'the position of the BBC and that of the Glasgow group were irreconcilable,' claiming that the BBC was in favour of parliamentary democracy whilst the Glasgow University Media Group was against it.<sup>58</sup>

### **Public opinion and the BBC**

It has often been noted by scholars that journalists do not in fact know their audience. Schlesinger observed in his 1970s study that BBC news was 'the outcome of standardized production routines; [and] that these routines work themselves out within an organizational structure which has no adequate point of contact with the audience'.<sup>59</sup> He goes on to note that the journalist's conception of the audience is based largely on 'vague ideas' about 'the kind of people who listen to or watch particular channels' and that actual knowledge of the audience is based largely on 'sporadic and ambiguous' audience research and telephone calls and letters 'produced by self-selected informants'.<sup>60</sup>

The dominant conception of the audience or the public amongst BBC editors during the 'Winter of Discontent' appears to have been of a body of people overwhelmingly hostile to trade unions. At a News and Current Affairs meeting in February 1979, the political editor Margaret Douglas commented that 'public response judging by the 5000 odd telephone calls received... was 80% anti-union at the moment, and that included many trade unionists!'<sup>61</sup> On another occasion, Richard Francis commented that: 'If telephone calls to the BBC were a fair indication of public reaction, the general feeling seemed to be that the BBC had given too much attention to the Unions.'<sup>62</sup> There is certainly evidence from internal minutes that this perception of a public overwhelmingly hostile to trade unions influenced BBC editorial judgements. In a discussion over whether it was appropriate to cite anti-union newspapers in BBC programmes in January, Stan Taylor commenting that, 'For all that was known, the papers might be reflecting the general feeling,'<sup>63</sup> whilst during the discussion of *A Cause for Concern* pamphlet in July, the BBC's Industrial Correspondent Ian Ross implicitly acknowledged that the BBC's coverage had been hostile to the unions, but argued that this was justified because 'such hostility was in evidence throughout the country'.<sup>64</sup>

How accurate was this perception of public opinion? Polling data certainly suggests a notable (but short lived) shift in attitudes on trade unionism during the winter of 1978/9, although the scale of that shift should not be exaggerated. The perception that trade unions were 'too powerful' reached a record high of 84% in polling conducted in January 1979. By way of comparison, the average figure for the period between 1972 and 1979 was around 69%. Gallup's polling data on the rather superficial question of whether trade unions are generally considered a 'good' or a 'bad' thing also suggests a notable, but short lived, shift in attitudes. Of those polled in January 1979, the percentage

who thought trade unions were a 'good' thing had fallen to 44%. This was one of only two occasions in the post-war era that positive responses to this question fell below 50% (the other being a poll conducting in July 1975). Those responding that trade unions were generally a 'bad' thing rose to 44% in January 1979 from 31% in August 1978.<sup>65</sup> The perception of public frustration at trade unions held by BBC editors therefore does not appear to have been misplaced. It should be noted though that according to the BBC's own stated 'news values', public opinion need not necessarily have impacted on BBC journalism. In February 1974, the then Director-General Charles Curran declared during a General Advisory Council meeting that: 'it was not right to equate the concept of independence with the concept of consensus broadcasting. There would be times when the need to report fairly and objectively set the BBC apart from the consensus.'<sup>66</sup> In July 1979, his successor Ian Trethowan reaffirmed more or less the same principle (albeit in a slightly different context) to the General Advisory Council, stating that:

The BBC feels that there are occasions when it may be right to transmit programmes which may be offensive to a large number, perhaps even the majority of the public; because the BBC has to weigh in the balance its other responsibilities as an investigative and creative medium. The BBC cannot simply reflect the views of its audience...<sup>67</sup>

As these quotes suggest, the ethos of public service broadcasting as understood by senior BBC journalists required that the BBC should respond to public opinion, but not necessarily reflect it. Indeed, it was noted in the BBC's internal report on the disputes of January and February 1979 that:

[T]he list of questions for an interviewer should not be dictated by the public mood but it should be influenced by it and should incorporate some of the questions to which the public is believed to want answers.<sup>68</sup>

In some ways this positioning involved the same sort of contradiction noted by Schlesinger cited above. In the same report it was noted that: 'The BBC has a difficult dual role to play – as independent objective observer and as representative of the public.'<sup>69</sup>

Public attitudes to trade unions formed the basis of the BBC's major current affairs programming during the Winter of Discontent; a series of *Nationwide* specials called 'The State of the Nation' which its Editor, Hugh Williams, described as 'an attempt to get the public involved and give them a chance to say what they thought.'<sup>70</sup> The programmes were built around an opinion poll commissioned by the BBC, followed by a series of studio discussions as well as a phone-in programme. The opinion poll featured three questions, one of which was: 'Do you think there should or should not be more laws to control the Unions?'<sup>71</sup> Predictably the results found a popular perception that trade unions were too powerful and strong public support for greater regulation. The producer of the programme later conceded that 'on reflection the programme had been bound to get the answers it did at the time' but that the poll was necessary to justify the focus.<sup>72</sup> The results of the poll were revealed on BBC1 on 29 January 1979. The programme was introduced with the words: 'Tonight the hospital where potential suicides have to be sent home because of union militants.' During a subsequent studio discussion the BBC presenter John Stapleton interrogated the General Secretary of the Confederation of Health Service Employees (COHSE) asking him: 'What is the world coming to when potential suicide cases are refused admission to hospital?' The reply was interrupted twice, first with the words, 'callous and inhumane,' and then with the words, 'the fact is in the eyes of many people such action is unforgivable.'<sup>73</sup>

In the BBC's internal report on the 'Winter of Discontent', the 'state of the Nation' series was described as 'a worthy response by a major programme on BBC-1 to the needs of the hour' and as having been 'acutely conceived and deftly produced'. However, the report also expressed some significant reservations:

It was felt by some... that the shaping of the *Nationwide*/ORC poll predominantly around the issue of union power implied an identification in advance of the nature of the problem. Why union power more than management failures, or Government economic policy?<sup>74</sup>

Here the report referenced a comment made by Richard Francis at the time, that he considered the questioning in the poll to have been biased. Members of the CGIBA were shown a recording of that particular *Nationwide* programme in July 1979 and their response was overwhelmingly critical. Joan Macintosh of the Scottish Consumer Council, who was attending the group for first time said that she thought the questions were poor and commenting that: ‘surely State of the Nation was an enormous title for a narrow aspect of the subject?’<sup>75</sup> Norman Willis of the TUC complained that:

A programme such as State of the Nation, by its choice of title and of questions, presupposed that there was an economic crisis and concentrated people’s attention on that aspect of the situation. If there had been such a crisis it had not been caused by the issues raised in the poll.<sup>76</sup>

Even Alan Swinden of the CBI said that he thought ‘the questions had been too obvious and the answers [were] what might have been expected at the time’ and that in any case ‘those questions had not really been tackled in the programme.’<sup>77</sup> Brian Bailey, another business representative on the CGIBA, commented that ‘there was a narrow line between ascertaining and reporting public opinion, and fashioning it.’<sup>78</sup> The programme also came under strong criticism from the General Advisory Council. According to the minutes one member, Donald Macgregor, said:

he considered that the BBC, and the media generally, had misreported events and misinterpreted the mood of the time. The state of emergency had been generally overstated and statements had been taken too much at their face value.’ [...] *Nationwide*, which had the means to inform a large audience, had commissioned an opinion poll based on naive and ill-considered questions.’<sup>79</sup>

It seems unlikely, in fact, that the polling questions were ill-considered. Indeed the comments of the programme’s producer suggest that the poll had been commissioned specifically to justify the programme’s confrontation of trade union leaders over the ‘state of the Nation’ by, and on behalf of, the public.

### **An incestuous relationship? Fleet Street and the BBC**

During the wave of industrial actions in the winter of 1978/9, the BBC made up only part – if a highly significant part – of a broader national infrastructure of media and communications which included the wire services, the ITV companies and a variety of local and national broadsheet and tabloid newspapers. It was unique compared with these other parts of the British media, however, in that it was the only institution which was not privately owned and dependent upon advertising revenue – making it potentially less vulnerable to the prerogatives of private power. As a national institution, however, it was deeply embedding in the British power structure and as we have seen, this shaped how notions of the national or public interest were defined, or how journalistic notions like impartiality were construed, especially during periods of perceived crisis. The legal restrictions and political pressures associated with national broadcasting also affected ITN of course, but they arguably weighed more heavily on the BBC.<sup>80</sup> Many newspapers were also national in the sense of their geographical distribution, but such institutions were spared the restrictions under which the broadcasters operated. The rationale for this more lax standard of regulation was that the newspaper market produced a range of political perspectives from which readers could choose. By the late 1970s, however, this justification had become rather hollow as the market had become increasingly monopolised and scores of centre left newspapers had been forced to close. As Curran has noted, this decline in Britain’s left wing press in the decades before the 1970s was not due to a lack of readership, but rather the inability of non-elite publications to operate in a market requiring high levels of capital investment and substantial advertising revenues. By the 1970s, intense competition and class inequalities had ensured that the political content of newspapers, if by no means homogenous, was heavily skewered towards elite interests. At the same time, for historical reasons, newspapers remained free to adopt highly partisan political perspectives which would have violated the broadcasting standards under which the BBC operated.

In and of itself the fact that the broader media environment was dominated by private interests does not seem to have been viewed as problematic by the BBC leadership. BBC news and current affairs

journalists routinely consulted the private press as part of their news gathering processes and in internal discussions the BBC acknowledged that many of its news stories came initially from the press.<sup>81</sup> However, as the right wing press began to adopt a more aggressively anti-union, and especially anti-government, stance during the 'Winter of Discontent' the BBC's stance *vis-à-vis* the press came to be seen as potentially problematic.

As one might expect from a privately owned press, there was considerable hostility to the striking workers in the newspapers. The unabashed propagandising which characterised much of the British media was particularly marked in the pages of *The Sun* and *The Daily Express*. In a previous incarnation as *The Daily Herald*, *The Sun* had been a popular working class daily with close ties to the unions and the Labour Party. However, the paper had for a number of years been under the control of Rupert Murdoch whose editor Larry Lamb had transformed it into a populist right-wing tabloid. It was *The Sun* which memorably attacked the perceived complacency of the Labour government with the headline, 'Crisis? What Crisis?' and it was Larry Lamb who reputedly first publicly used the phrase 'Winter of Discontent' to describe the events of that winter.

The Express Group, which included the *Daily Express*, the *Sunday Express* and the London *Evening Standard*, was at that time headed by Victor Matthews, a strike breaking Thatcherite who was reputed to be the Conservative Party's largest donor.<sup>82</sup> After taking control of what was then known as Beaverbrook Newspapers in 1977, Matthews explained that, 'By and large editors will have complete freedom as long as they agree with the policy I have laid down.'<sup>83</sup> Matthews's compliant editor during the 'Winter of Discontent' was Derek Jameson, a former managing editor of the *Daily Mirror*. In 1998 he told a Channel 4 documentary that during the 'Winter of Discontent' his staff had 'pulled every dirty trick in the book; we made it look like it was general, universal and eternal when it was in reality scattered, here and there, and no great problem'.<sup>84</sup> If there was less antipathy towards the government in the left leaning press like the *Daily Mirror*, there was still little sympathy for the strikers. In fact, according to Thomas, the *Daily Mirror* was 'at times indistinguishable from the Tory press in its partiality' and was widely assumed by its readers to have been supportive of the Conservative Party.<sup>85</sup>

Trade unions were highly conscious of the power of the right-wing press and the union representatives consulted by the BBC through the CGIBA assumed that the broadly anti-union stance taken by the BBC was attributable to the influence of the press on broadcasting. The minutes of a CGIBA meeting held in July 1979 record that:

'[Norman] Willis said that since the early months of the year he had felt much more anxious about the effect of the media on the situation they were reporting. Did the front pages of the popular press affect a programme such as *Nationwide*? Clearly the producer of 'state of the Nation' had the idea that there was a crisis and by appearing to take that for granted could have affected the situation itself.'<sup>86</sup>

In a later meeting, Gavin Laird said that the BBC's coverage had 'brought home to him the incestuousness of the relationship between the BBC and the press'. He added that the 'problem as he saw it was how to correct this lack of balance in the way events were presented to the country'.<sup>87</sup> His views were echoed by Norman Willis who according to the minutes said

he was deeply concerned by the extent to which television coverage seemed to have been influenced by what appeared in the press. The newspapers had done nothing less than a hatchet job on the unions. It was all the more worrying, then, that he found it impossible to believe that the BBC drew on its own independent news sources... The second main point he wanted to make was that he was convinced that there was a case for the BBC to set out to adjust the bias shown elsewhere in the media. What was needed was a programme of probing analysis of what was being said in the press, showing up inconsistencies and omission.<sup>88</sup>

Willis had long had suspicions that the BBC's news and current affairs were influenced by the press. At one of the earliest meetings of the CGIBA in 1977 he had raised the question of whether time constraints might lead journalists 'to fall back on received doctrine, which was usually the received



doctrine of the press'.<sup>89</sup> In a letter written in 2010, Willis repeated his belief about the influence of the press. Recalling the 'Winter of Discontent' he wrote:

The newspapers were the most damaging on this [giving the unions a 'bad press'] – and they were more significant then. I felt, and frequently said, that both BBC and ITV took the morning papers as their starting agenda for the day. This I recall was denied but I guess it was inevitable.<sup>90</sup>

As Willis recalled, after he raised this at the October 1979 meeting Richard Francis responded by reassuring him that

there was no question of the BBC slanting its news coverage to Fleet Street. There were some 1,200 people involved one way or another in the BBC's News operation. It was they who set the tone of the coverage. [...] Of course, to some extent, Fleet Street and the broadcasters did feed on each other's output. A story first appearing in one branch of the media might be followed up in the others, but there was all the difference in the world between getting the cue for a story from Fleet Street and lifting a story straight.<sup>91</sup>

Francis repeated this line of argument later that month at the meeting of the General Advisory Council, reassuring members that 'BBC journalism had its own infrastructure' and that it was 'the largest news-gathering organisation in the country'.<sup>92</sup>

Despite denying the accusation to the BBC's advisory bodies, in private senior editors seem to have accepted that the BBC was too influenced by the press. In fact this was one of the only criticisms that seems to have been accepted by members of the news and current affairs meeting in their discussion of *A Cause for Concern*.<sup>93</sup> The reason why this criticism was more readily accepted than others, was perhaps that it carried with it an implicit suggestion of greater professionalism on the part of broadcasters than print journalists. The BBC after all saw itself as distinct from the popular press, from which it sought to distance itself when the media as a whole faced generic criticism. During the discussion of *A Cause for Concern*, for example, Richard Francis acknowledged the problematic nature of press partisanship and stressed that, 'there was a need to disassociate the Corporation from remarks which referred to the press'.<sup>94</sup> Francis had made a similar comment several months earlier when he told the News and Current Affairs meeting that he thought that 'media' was a 'jargon word' which was used 'to lump the BBC in with the newspapers and the other broadcasters.' This he said was to the BBC's disadvantage 'when large newspaper headlines put industrial crises in a highly sensational perspective'.<sup>95</sup>

One particular editorial issue in relation to the press discussed during the 'Winter of Discontent' concerned the morning review of the papers on Radio 4's *Today* programme. Looking back at the events of the winter, the Managing Editor, Current Affairs, Radio Anthony Rendell 'pointed to the problem the bias of some popular papers caused for the news staff who wrote *Today's Papers*. It was difficult [he said] to quote slanted headlines without giving the impression of endorsing them'.<sup>96</sup> The issue was summarised as follows in the BBC's internal report on its coverage of the Winter of Discontent:

#### The BBC and the Press

38. The industrial events and strong passions they aroused placed the BBC in another journalistic dilemma – and over a normally uncontroversial item, *Today's Papers*. Transmitted with the *Today* programme, this summary is prepared by Radio Newsroom staff from the stories and comment columns of Fleet Street and, to a lesser extent, the leading provincial newspapers. In normal times this provides a varied and unproblematic menu. But the events of January and February generated from a press not bound by the restraints of political neutrality a profusion of sensational hardship stories and editorial columns critical of the trade unions.

39. *Today's Papers* stood the risk, in these circumstances, of being an embarrassment to the politically independent BBC. At the meetings of senior editors (NCA minutes 27 and 71) there was agreement on the need for the clearest possible attribution of the source of

comments and stories; so that listeners would not mistake them for the BBC's own. Basically *Today's Papers* was felt to be a very popular spot; it was felt that, if the idea of a daily press summary was a viable one, jettisoning it because of a currently sensitive situation could set a dangerous precedent.<sup>97</sup>

It is notable here to extent to which the BBC appears to accept the basic legitimacy of the private press as an organ of political opinion. The first paragraph implicitly acknowledges that its material was both partisan and sensationalist, yet the conclusion is reached that to overtly challenge this (as trade unionists advocated) would have set a 'dangerous precedent'. A review of the minutes on which this account draws suggests that a number of editors did not even agree that *Today's Papers* posed any particular problem. The issue was first raised by BBC Radio's Editor of News and Current Affairs, Peter Woon at a meeting in January. He said he thought the item now lacked balance since 'all the papers, including all those which might normally be sympathetic, were conducting sustained Government bashing in dramatic language'. The issue was returned to at the meeting of 6 February at which the BBC's Political Editor David Holmes suggested that the item was affecting the BBC's reputation for impartiality. He argued that the BBC should more clearly identify newspapers in case viewers identified the opinions reported with the BBC itself. Although the members of the meeting all agreed that the BBC should not be associated with the viewpoints expressed in the papers, Holmes's suggestion of a change in format was rejected by the other members of the meeting who considered *Today's Papers* to be a popular and quite proper item. Richard Francis, confirmed that as far as he was concerned *Today's Papers* 'was a useful service to let people know what Fleet Street was saying, especially as most people only read one paper'.<sup>98</sup>

One thing that is particularly notable about the first discussion on *Today's Papers* is that despite the allusion in the BBC's retrospective report, the minutes do not suggest that the relaying of vehemently anti-union perspectives was a particular concern. Peter Woon when he originally raised the issue referred to 'Government bashing' rather than 'union bashing'. At the second meeting one member commented that, 'if *Today's Papers* sounded like "union bashing" then it accurately reflected the press's attitude.' That discussion concluded with one member of the meeting claiming that *Today's Papers* 'had on many occasions adequately reflected the union outlook' as had the BBC's output in general.<sup>99</sup>

When originally raising the issue of *Today's Papers*, Peter Woon had lamented the loss of what he called the 'balanced seriousness' of *The Times*; which had been shut down by industrial action.<sup>100</sup> The fact that Woon saw *The Times* as an inherently more legitimate source of information or opinion than the other national dailies is revealing; and it appears to have been a commonly held view in the BBC. In a speech made to the Guild of British Newspaper Editors in October 1977 the incoming Director-General Ian Trethowan referred to *The Times* as the 'equivalent newspaper' to the BBC.<sup>101</sup> Woon's phrase encapsulates the two values which the BBC did not share with the 'mass circulation papers' and which were the principal sources of tension during the Winter of Discontent. First, the notion of balance; *The Times*, though closely tied to the British Establishment, was along with *The Guardian* the only British newspaper in the post war era which was not firmly committed to supporting either major political party. (The notable exception was in 1974 when its then proprietor Lord Thomson indicated that he would be displeased if the paper backed the Labour Party.)<sup>102</sup> In this respect *The Times* shared with the BBC a limited notion of political impartiality. The 'seriousness' of *The Times* was also a quality felt to be shared by the BBC – and reputedly less so by ITN. Like *The Times*, the BBC was committed to sober and accurate reporting, as opposed to emotive, sensationalist or overtly opinionated styles. This commitment reflected significant differences in the institutional ethos of the BBC and the popular press, with the BBC's approach being similar to that of the quality press. Indeed, it is worth recalling that the concept of public service broadcasting, pioneered by the BBC and emulated by ITN, had in part drawn on a professional ideology developed by the private press and exemplified by serious broadsheets like *The Times*. The distinction between 'fact' and 'opinion', for example, which was particularly important for the BBC and ITN, was also a convention maintained by the broadsheets in their division of reporting and editorial material. The BBC's 'news values' therefore were closely aligned with those of *The Times* and as one might expect its output reflected this. In 1975 the BBC produced a document which included a comparison of the leading

stories on BBC television news with front page stories in *The Times* which showed an extremely close correlation between the two. It was noted that: 'the BBC's judgment of what is significant or interesting more closely resembles that of *The Times* than that of any other national newspaper.'<sup>103</sup> What the BBC's close affinity with *The Times* suggests, I would argue, is that the BBC was not especially mindful of the elitism of its news values. Rather its primary concern, like that of *The Times*, was to reflect in a serious, accurate and balanced way a *range of elite opinion and perspectives*. This diverged at times with the approach of sections of the private press which were more closely tied with particular factions of the political elite and were not committed to the same professional standards on the accuracy and the tone of their journalism. Nevertheless, whilst BBC editors were wary of being associated with the explicitly partisan viewpoints of the popular press, these newspapers were always viewed as a legitimate source of news and opinion, never directly challenged and certainly had some impact on BBC journalism during this period.

### **'Faceless men': The role of businessmen**

However genuine the BBC's commitment to journalistic impartiality, the fact remains that different social groups were not treated equally. On the contrary, existing power relations were taken for granted and those who challenged such arrangements tended to be problematised. This tendency was powerfully illustrated by the findings of the Glasgow University Media Group and in other academic research from this period,<sup>104</sup> but it is also evident from the BBC's internal files. Having already considered the role of trade unions, we will now consider the contrasting position of owners and managers.

The BBC's records from the 1970s suggest that it was regarded with some suspicion by Britain's business elites. There is, however, little evidence to support the common belief that the BBC was anti-business. A possible exception from November 1978 illustrates the point well. That month the CBI held its second annual conference in Brighton. The conference had been introduced the year before and modelled on the TUC's well established and widely publicised equivalent. The BBC gave the CBI's conference over three hours of live coverage on its first day and just under three hours the second day, in addition to featuring it in regular news and current affairs programmes.<sup>105</sup> The conference was also covered on *Tonight* by Vincent Hanna, who before he joined the BBC was an industrial relations correspondent at the *Sunday Times*. A committed trade unionist, Hanna was known for his somewhat sardonic style of reporting.<sup>106</sup> His apparently unfavourable coverage of the CBI's conference led to a phone call to the BBC from the CBI's Director-General John Methven who said that he was not officially complaining about Hanna's report, but was under pressure to do so from his members. Methven's non-complaint led to an official reprimand of Hanna by John Tisdall, the Editor of Television Current Affairs, and further criticisms from senior editors at the News and Current Affairs meeting the following week. At that meeting Tisdall was highly critical of what he called Hanna's 'schoolboy humour'. The Chief Assistant to the Director-General said the item had been 'inexcusable' whilst Richard Francis said that there was 'no excuse' for such 'snide reporting'.<sup>107</sup> At the Board of Governors meeting two days later Richard Francis again said he thought Hanna's comments had been 'inexcusable' and described them to the Governors as 'an aberration'.<sup>108</sup> This incident illustrates well how seriously the BBC took complaints from business leaders and their representatives during this period, reflecting the instinctive respect and reverence with which they were treated by senior BBC personnel.

Liaison with businessmen and financiers was conducted at the highest level. In July 1973 Charles Curran had dinner with a number of businessmen hoping to encourage them or any of their contacts to take part in BBC programmes. It was suggested that the BBC should make a programme examining the importance of the profit motive in industry, something which was duly passed on by the Editor of News and Current Affairs to programme makers.<sup>109</sup> One of the guests at the dinner, Charles Villiers, the Chairman of the merchant bank Guinness Mahon, subsequently wrote to the BBC with a list of names.<sup>110</sup> The BBC was also given a list of suitable spokesmen nominated by Derek Ezra, the Chairman of the National Coal Board, a number of whom were subsequently used in BBC programmes.<sup>111</sup> In October that year the Board of Governors minutes record that John Crawley, the Chief Assistant to Director-General and a former Editor of News and Current Affairs, had had breakfast with a number of industrialists 'wishing to be helpful in encouraging their fellow

industrialists to take part in broadcasts'. Charles Curran also noted that he planned to raise the same issue at a dinner with industrialists later that month.<sup>112</sup> In December that year the News and Current Affairs minutes note that Curran had recently been in conversation with public relations officers in industry following an article in *The Director* criticising the role of the media in industrial affairs. The minutes state:

[The Director-General] had observed that industrial spokesmen themselves did not always make the best use of the media, and said he would welcome further contacts with the P.R.O.s [Public Relations Officers] about the appearances of their Directors. A criticism had been that the *Money Programme* was broadcast too late in the evening and that its Friday placing was unsuitable because 'tired business men' left early for their homes on that day and would not therefore be available to take part. H.P. said that he would circulate a list of industrial spokesmen, who in many cases worked very close to Chairman and Managing Directors and were therefore useful contacts.<sup>113</sup>

James Long, who was economics correspondent first for BBC Radio and then television, recalls such high level contact from this time:

Whenever whichever Director-General in those days came back from some dinner with the CBI I'd usually get a call saying, 'Why don't we do more of this? And by the way, wouldn't it be a terribly good idea if there were a business equivalent of *The Archers*? ' That was their great cry in those days. They thought just as agriculture has found its way into the heart of British people through *The Archers*, they wanted Radio 4 to do a long running series about business people. [...] It was obviously happening at some high level and it came through into my life occasionally when the DG at the time would say, 'Oh, you know...' [...] This was the solution to public attitudes to business.<sup>114</sup>

It should be noted that these connections with business leaders and their spokesmen were being established at the same time that trade unions were complaining of 'union bashing' at the BBC – something which senior news editors agreed 'the BBC could do [little] to avoid'.<sup>115</sup> Yet during this same period the BBC consciously sought to ensure better representation of business in its programming. At a General Advisory Council meeting in April 1974, the Chairman Michael Swann said he 'had received assurance from Mr. Ezra [the Chairman of the National Coal Board] that he did not feel that the BBC had treated him unfairly,' whilst Charles Curran noted that:

there was always a tendency, during an industrial dispute, for the representatives of management to be reluctant to appear in programmes. During the miners' strike therefore, he had personally been in close touch with the Chairman of the National Coal Board in order to ensure that no opportunities to present the management's case were lost.<sup>116</sup>

This attentiveness to the communication needs of big business continued up to and after the winter of 1978/9. In June 1979, by which time the Thatcher government had come to power, the BBC's relationship with the City was discussed by the Board of Governors. The minutes record that

a former critic of the BBC Christopher McMahon, Executive Director of the Bank of England, had gone away from a recent visit to the BBC most impressed, not least by Mr. [Richard] Francis from whom the invitation had come at the Chairman's [Sir Michael Swann's] suggestion.<sup>117</sup>

In the same meeting one of the Governors, Roy Fuller, told the Board of Governors that he and the Director-General Ian Trethowan had had dinner in the City of London with Nicholas Goodison – the Chairman of the London Stock Exchange who would oversee the so called 'Big Bang' of 1986. Fuller suggested that the Board should invite Goodison to lunch at the BBC. According to the minutes:

Mr. Fuller said the Chairman of the Stock Exchange, Nicholas Goodison, had recently invited him to dinner in the City – not because he was a Governor and not because he was a solicitor and Director of a Building Society but because Mr. Goodison liked his

verses. For this reason, unusual in a stockbroker, and for other good reasons, Mr. Fuller suggested inviting the Chairman of the Stock Exchange to lunch one day. D.G. [Ian Trethowan], who had been at the same dinner, readily endorsed Mr. Fuller's good opinion of a man of many interests – including furniture, clocks, barometers and ormolu, on all of which he was an acknowledged expert. D.G. recalled that relations with the Stock Exchange had once been 'sticky'. But Mr. Goodison had changed all that.<sup>118</sup>

Roy Fuller at the time of his appointment as a Governor had been Professor of Poetry at Oxford University, hence the reference in the minutes to 'his verses' as the ostensible reason for the dinner invitation. There are two things that are notable about this particular incident. First is the unquestioned assumption that good relations with the London Stock Exchange were a desirable goal for the BBC and that 'sticky' relations were necessarily problematic. This is not to suggest that it would have been more appropriate for the BBC to have been hostile to the Stock Exchange, but simply to point out that as an institution the Stock Exchange served a small and extremely powerful socio-economic group, who it could be argued were as much responsible for Britain's economic woes as 'militant' trade unionists. Yet despite this, the political nature of these relations is simply invisible. This leads us to the second point, namely that the relations established here are described in purely avocational terms. A BBC Governor focuses on the LSE Chairman's appreciation of his poetry whilst the BBC Director-General suggests that knowledge of art and antiques are relevant criteria for the extension of lunch invitations. Of course the implication that these relations were merely social is absurd. Roy Fuller would hardly have invited any admirer of his poetry to lunch at the BBC irrespective of their power and social status, and in any case, the purportedly apolitical nature of the relations is undermined by Trethowan's subsequent reference to Nicholas Goodison's professional role. That said, the cultural aspects of these relations should not be dismissed as bogus. On the contrary this incident illustrates the role of art and culture in creating an affinity between individuals occupying quite different social spheres, but sharing roughly equivalent levels in Britain's social stratum. References to poetry, art and antiques may appear amusingly antiquated but should not be dismissed for that. Behind these cultural interests and commonalities lie real social and economic interests.

Nicholas Goodison had earlier appeared as a guest at a News and Current Affairs meeting in late February that year, a fact that is particularly significant since at no point throughout that winter was any union representatives invited to address the meeting. Not only that, but the discussion was far longer than any that had taken place in the previous months over the BBC's coverage of the industrial action. Goodison opened the discussion with the history of the London Stock Exchange, stressing its importance for government borrowing and for the health of any 'free economy'. He argued that the country's success depended on trade and industry, without which, he said, it was impossible to provide public services. Goodison then expressed his concern over conditions for business in Britain and what he called 'a long standing anti-business ethos' in the country. He argued what was needed was lower government borrowing, tax cuts and fiscal incentives to encourage private investment. He was apparently optimistic about the long term prospects for business and finance. According to the minutes he said, 'He now detected a swing against... the corporate state, but it would take a long time, perhaps fifteen years for the public to understand that a high level of profits should lead to more jobs and that the country was not at present making the most efficient use of its resources.'<sup>119</sup>

With regard to the BBC, Goodison said he 'had enjoyed good relations with the BBC generally and with individual editors, producers and interviewers', but nevertheless was concerned that 'programmes did not pay enough attention to industry and trade.' He said he thought that the human interest stories were dominated by unionists and that whilst the specialist business programmes were very good, businessmen should be encouraged to appear in everyday programmes to give 'an impression of normality rather than businessmen as a race apart.' Members of the meeting explained that businessmen were often reluctant to appear on their programmes, but none questioned whether the aim of challenging the prevailing 'anti-business ethos' in Britain was an appropriate goal. The meeting ended with Goodison letting all the editors know that they could phone him directly and with Richard Francis telling him that they would be delighted if he could visit again.

The concern that businessmen did not appear regularly enough in programmes and the fear that the BBC might appear 'anti-business' also comes across in a meeting of the CGIBA held in April that year. That month the CGIBA's members discussed an episode of a BBC documentary called *The Risk Business* which its editor said aimed to show that 'a career in business could be just as intellectually stimulating as one in, say, journalism.' The programme's editor said he had found that it was 'often difficult to persuade corporate men to co-operate' and the BBC's Director of Public Affairs commented that 'all too often a situation existed where the Chairman of a company was not very good at expressing himself, the Managing Director was nervous about exposing himself and nobody else was allowed to say anything.' Geoffrey Williams, the Vice-Chairman of J. Henry Schroder Wagg Ltd, criticised what he called 'clever remarks' made in the programme and said that 'It was remarks of that kind which tended to frighten away businessmen.' The Chairman Frank Figgures agreed.<sup>120</sup> The reluctance of businessmen to appear was also noted during the height of the public sector strikes earlier that year. In a News and Current Affairs meeting in February 1979 Tim Slessor had commented on the difficulty of finding 'people prepared to put the management case effectively.' He acknowledged that where the BBC had not found anyone, it was 'almost forced on occasions to put it for them'.<sup>121</sup> This was acknowledged to be a well established practice. An internal report on news and current affairs drafted in 1974, stated:

It is, of course, the case that strikers are nearly always ready to talk to reporters, whereas some managements are understandably reluctant to explain their case in public. It is sometimes the task of an industrial correspondent to balance the claims made by strikers by explaining the situation as he believes management sees it.<sup>122</sup>

In considering this passage, it is worth reminding ourselves of the Glasgow University Media Group's finding that in its coverage of a strike by dustcart drivers in Glasgow a year after this was drafted, not one striking driver was interviewed by the BBC in its forty news bulletins.<sup>123</sup>

The journalistic practice of putting the management's case for them had been criticised by Norman Willis in the very first meeting of the CGIBA in 1977. According to the minutes:

[Norman Willis] recalled that it was sometimes said by the BBC that in cases where the unions agreed to comment on an industrial dispute, but Management refused, part of the role of a correspondent was to explain Management's view as he understood it. But viewers tended to identify with the interviewer and in those circumstances, Mr. Willis said, he could well understand why Management chose to keep silent. Was this objectivity?<sup>124</sup>

During the 'Winter of Discontent' this practice continued. During a General Advisory Council meeting in early February 1979, Ian Trethowan claimed that: 'An examination of the BBC's coverage would show that searching interviews with all the main protagonists had been broadcast on radio and television.'<sup>125</sup> In fact in the BBC's report on its coverage produced six months later it was noted that with only two exceptions, 'the employers (Government Ministers excluded) barely advanced beyond the role of faceless men.' It continued:

There is indeed a case for saying that the managers and employers were underrepresented: and that, when they did appear, they were not always questioned with proper penetration or insight about their conduct of negotiations and the money problems of the business they were running.<sup>126</sup>

This pattern of coverage was in keeping with the findings of research conducted almost six years earlier by Leicester's Centre for Mass Communication Research, which examined the coverage of industrial disputes on television and the press in May 1973. That research found that whilst unions or union officials featured in 84% of items, employers featured in only 11%. It also noted the 'almost total invisibility of shareholders or boards of directors', which featured in only 1.2% of items.<sup>127</sup> The researcher noted that the findings could be taken superficially as evidence of the dominance of union viewpoints in media coverage of industrial disputes, but suggested that they should be understood in the context of what he termed 'differential legitimacy':

Because the legitimacy of union activity is suspect, the unions are more frequently called upon by the media to account for their actions or feel obliged to make statements in their own justification. It would seem that employers, assured in their legitimacy, seldom feel this need and that the media accept this situation as normal.

[...]

Because of the dubious legitimacy of union activities, there is an ambiguity about the evaluation of the worker and union actors in a given situation which the media clarify with descriptions like 'low paid' (you can feel some sympathy for them), 'militant' (you should disapprove of them), 'divided' (they can't win), or 'angry' (they are ruled by emotion). On the other hand, the legitimacy of employers' action is so seldom in question that qualification is unnecessary. Whoever heard of a militant employer, or of divisions in the CBI?<sup>128</sup>

### **Consensus and crisis**

In this chapter, and the previous chapters, we have seen how during the 1970s the BBC came under significant pressure over its coverage of industrial issues from trade unions, academics, the Labour left and increasingly from the BBC's own broadcasting unions. That the BBC's output in this area was inadequate was officially acknowledged in the Annan Report and indeed by the BBC leadership up to and during the wave of strikes in the winter of 1978/9. The more sophisticated critiques developed during this period stressed the importance of institutional factors and the more radical advocated a democratisation of broadcasting. As we have seen though, Annan stressed the need for the BBC to remain independent from such pressures and explicitly rejected Benn's oft cited comment that, 'Broadcasting is really too important to be left to the broadcasters.' For its part the BBC prioritised above all the maintenance of its own professional autonomy and failed to seriously question its own editorial practices. The BBC leadership's prevailing attitude during this period is well illustrated by the following extract from a paper on BBC News drafted for the General Advisory Council in January 1974:

News Division works on the assumption that the policies and practice that shape the bulletins are now broadly on the right lines, so that the aim is right, even though human error means that bulletins are not always right on target.<sup>129</sup>

The BBC's conservative approach in the area of industrial reporting in particular is perhaps best symbolised by a comment made by Frank Figgures, the Chairman of the CGIBA since its inception, and latterly the Chairman of the General Advisory Council. During a General Advisory Council discussion Figgures commented that: 'The question for consideration was how reporting could be improved, gradually and within the constraints that would always operate'.<sup>130</sup> As has been argued, the outcome of the reluctance to adequately address the shortcomings in industrial reporting meant that by the time of the 'Winter of Discontent', the same institutional bias against organised labour identified by scholars years earlier remained in place. Asked in 2011 whether there was any reason to believe that media coverage during the 'Winter of Discontent' broke with the patterns discovered in the mid '70s, Greg Philo replied:

Well we didn't do a formal study of it but it was obvious that they had taken a few instances... people not getting their graves dug for example, and presented this as not being typical of the society as a whole. Or that this was seen as somehow representing the fall of civilisation.

In his report on the BBC's coverage of the 'Winter of Discontent' Andrew Taussig, who had been appointed a Special Advisor on industrial issues to the Director of News and Current Affairs, alluded to 'the basic principle of selecting material according to news relevance and human interest – no matter to whose credit or discredit that might redound'.<sup>131</sup> Interviewed years later he recalled that:

[T]he long and short of it was that the way the stories were breaking and the potential mould into which the material was poured did tend to redound to the advantage of the employers and the disadvantage of the workers.<sup>132</sup>

The significance of this should not be understated, since as William Rodgers (who opposed the strikes) later noted, the events of that winter were largely experienced indirectly through the media.<sup>133</sup> Furthermore, we could add, by the time of the 'Winter of Discontent', the BBC had for years been blaming trade unions for Britain's economic problems, creating a powerful explanatory framework for public understanding.

No doubt the BBC's professed commitment to impartiality was genuinely felt, but it does not follow that therefore it was genuinely realised. The cluster of journalistic values which guided BBC reporters and editors were after all developed and practised within a hierarchical and elitist institution, closely tied to the state and other centres of power, and its output passed through a bureaucratic system which reflected this social and political context. Richard Francis explained this process to the General Advisory Council in February 1978:

[T]he BBC worked on the principle of having editorial gatekeepers. When reporters and cameramen were out in the field they reported what they heard and saw, as perceptively as possible. There were then filters through which their material passed, namely the film editor, the sub-editor, and the editor of the day, before it went out on air.<sup>134</sup>

If journalists were satisfied with the BBC's output (and it is clear that many were not) it simply reflects the fact that those individuals had internalised the BBC's institutional values. Internal discussions on the BBC's reporting reflected this broad satisfaction with the broadcasting status quo. Looking back on the coverage in October 1979, Richard Francis commented that: 'Under the pressure of events, some mistakes in reporting had been made but there had been no departure from the principles of good reporting.' According to the minutes he added that, 'On the political effects of the winter's industrial unrest, he did not wish to be drawn into debate.'<sup>135</sup> It was the self-defined 'principles of good reporting' which dominated internal discussions that winter. One of the major focuses of these discussions was the casual anti-union comments made by the presenters of Radio 4's *Today* programme. Another was the use of partisan commentary from the print media. Both these issues centre on the issue of 'editorialising' – that is a conscious expression of personal views or judgements – which was in fact contrary to the BBC's Charter. Thus the focus of self-criticism was on the maintenance of the most basic of journalistic values. This neglected more penetrating critiques which had been developed in recent years which stressed the importance of less explicit forms of 'bias' manifested, for example, through the inclusion or omission of particular events; or their explication, whether through the invocation of relevant context or the inclusion or omission of particular views or perspectives. This failing meant that elite perspectives dominated news and current affairs that winter. Indeed the BBC felt compelled by its professional norms to allow elites to define the terms within which events were understood, even when aware that this posed a threat to impartiality and accuracy. For example, on 11 January 1979, shortly after the Transport and General Workers' Union finally made the lorry drivers dispute official, Denis Healey had claimed that two million people would be out of work the following week if the industrial disputes were not resolved.<sup>136</sup> Similar grim predictions which never came to pass were made by the chemicals company ICI and the CBI. At a News and Current Affairs meeting on 23 January, Alan Protheroe commented that, 'The Government seemed to be orchestrating the story of doom,' and Stan Taylor later added that, 'they appeared to have some help from big business.'<sup>137</sup> Whatever the reservations though, these figures *were* reported. Looking back on the coverage in July, Frank Figgures noted the reporting of the prospective unemployment figures and commented that: 'when there were major strikes there was always a tendency to exaggerate their significance.' He noted that the CGIBA 'had emphasised over and over again the need to treat with extreme scepticism the predictions of interested parties.'<sup>138</sup> The issue was also raised at the biannual meeting of the BBC General Advisory Council in February 1979 at which the playwright and television dramatist Alan Plater said 'he had been disturbed, and occasionally appalled, by some of the recent coverage of industrial disputes'. According to the minutes he said

He had watched apparently well-meaning men predicting disasters of all kinds, none of which had occurred. Moreover, television journalists working for the BBC and ITV had told him unofficially that they were admitting to their programmes spokesmen who were telling less than the truth, but that they were powerless to prevent this.<sup>139</sup>



Responding to Plater, the Director-General Ian Trethowan seems to have suggested that the various predictions should have been reported, simply because of the identity of the groups and individuals making the claims:

[I]t would be absurd to claim that everything said about strikes in programmes during the past few weeks had been correct or that the balance in programmes had been absolutely correct. It had been extremely difficult, however, to evaluate all the statements that people had made. The CBI had predicted that 1 million people would be out of work as a result of the transport strike. The Chancellor of the Exchequer had repeated the figure. The BBC had rightly reported these statements.<sup>140</sup>

The CBI and the Chancellor could hardly be considered neutral parties in the dispute, yet journalistic practice demanded that their claims be reported. This is just one example of how unequal power relations in British society were embedded within normal working practices. What made the coverage that winter particularly skewered was the fact that the Labour Party leadership had to a large extent positioned itself in opposition to 'rank and file' workers and the increasingly assertive shop steward movement. The 1974 Labour government had made some radical commitments. Its manifesto famously stated: 'It is our intention to bring about a fundamental and irreversible shift in the balance of power and wealth in favour of working people and their families.' Latterly though the leadership's strategy was to address poverty and inequality through reviving private sector profits at the expense of labour. As Fielding notes, Callaghan and Wilson's strategy was to keep wages down 'so profits could rise and investment increase: that would then pay for improvements in the welfare state which, in themselves, could help reduce inequality.'<sup>141</sup> Furthermore, the TUC, tied as it was to the party, had been co-opted into this strategy. The significance of this for BBC journalism was that the groups who overwhelmingly defined the content and perspectives of its news and current affairs output were almost universally opposed to the 1978/9 strikes. Naturally the greatest hostility came from the Conservative Party and the corporate media, but the groups which the BBC would usually look to as representatives of workers were also unsympathetic. The BBC's industrial correspondent Ian Ross certainly took succour from the fact that many of the strikes had taken place in defiance of union leaders who were themselves alarmed by developments. He commented at one meeting that, 'the TGWU and NUPE in particular, had lost control of their own members during the disputes,' and that 'Len Murray himself had been outraged by the actions of some unions'.<sup>142</sup> Even the hostility of the Labour leadership to the strikers seems to have emboldened the BBC's broadly anti-union stance. It was noted in the BBC's internal report on the coverage of the strikes that: 'When Robin Day interviewed Alex Kitson about his union's picketing guidelines, he pointed out that it was not the BBC but the Chancellor who had described a mood of public outrage and anger at the behaviour of some union members.'<sup>143</sup> That the Chancellor was seen to be a bone fide representative of the whole Labour movement is fairly remarkable given the political context described here. Indeed Joan Ruddock, who was then a member of the BBC General Advisory Council, noted in an October 1979 meeting that:

Of Labour spokesmen who had broadcast during this period, most had been spokesmen for the Government. There had been other views within the Labour movement which had not been properly reflected in programmes. There was a wider political and economic background to disputes than the BBC's programmes had suggested.<sup>144</sup>

The unsympathetic coverage of the strikers on the BBC was of course of a different order to the overt hostility of the private press, and no doubt this fact helped to detract from the role played by the former. The difference is particularly apparent when we consider those sections of the popular press which were aligned with the Thatcherites and which were therefore most hostile to the strikers and also to the Labour government. Underpinning these different journalistic approaches were different political, economic and legal factors, but also contrasting political philosophies. The Thatcherites sought to overturn the consensus politics of the post war era and to transform or dismantle the institutions of the social democratic state. The conservatism of the BBC on the other hand was rooted in its commitment to these very values and institutional arrangements. Certainly the BBC's maintained an elitist bias, but one that existed within the framework of a general commitment to

social democracy. This was noted by Greg Philo in recalling the political context of the Glasgow Media Group's early work:

[W]hat we were pointing to in the '70s was the failure of the BBC to live up to its own claims to be balanced in relation to the range of views that existed in society. But we were doing that within a climate in which the BBC was pretty much committed to the values of the post war consensus. And those included commitments to what we would now see as both left and right options. The failure in the economy was attributed to bad practices in the working class but on the other hand there was a sort of commitment in the BBC to the idea that they should be representing different views. [...] I think people there really believed in the post war consensus.<sup>145</sup>

So whilst both the BBC and the right-wing press were hostile to the strikers; for the BBC they were a threat to the social democratic settlement, whilst to the right-wing press and the Thatcherites they were a symptom of its total bankruptcy. In one sense the commitment Philo describes was a reflection of the dominant political culture of the time. As has been outlined above, the BBC always had extensive and deep rooted connections with the British state, which at this stage in history meant a commitment to the social democratic state. However, there was more to the BBC's attachment to social democracy than just conformity with the political status quo. In important respects the ethos of public service broadcasting that had been developed by the BBC had a close affinity with social democracy. Indeed it could be argued that though the BBC pre-dated the so called post-war consensus, it had since become a quintessential social democratic institution. We have seen a clear example of the BBC's commitment to social democratic values in the constitution and development of the CGIBA. It afforded equal representation to labour and capital, along with a Chairman whose explicit role was to promote consensus rather than conflict between these factions, as well as representatives of 'the public' to somehow transcend any such antagonism. By modern standards this liberal approach appears relatively progressive and no doubt such an advisory group in the neoliberal period would have been dominated by representatives of business. Nevertheless, we should not lose sight of the fact that the theoretical equality afforded business and workers on the CGIBA (and in other social democratic institutions during this period) disguised the social reality that no such parity existed. Not only did capitalist social relations and class inequality persist in post-war Britain, but with the onset of capitalist crisis in the 1970s, the politics of consensus had for some, including some of the poorest members of society, come to mean a decline in living standards. The fact that this was all but invisible in mainstream news and current affairs broadcasting left an explanatory vacuum which the New Right were able to skilfully exploit. It meant that though the BBC was thoroughly committed to the post-war consensus, it was nevertheless complicit in its demise and in the triumph of a new and highly reactionary form of politics. This was to have devastating consequences for the enduringly popular social democratic consensus and, as we shall see in Part II of this thesis, for the BBC itself.

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- <sup>1</sup> BBC Written Archives Centre, R6/29/14 Advisory Committees General Advisory Council Meetings – Minutes 1979 – February 1980, Minutes of Board Meeting held on 24 October 1979.
- <sup>2</sup> Interview with Andrew Taussig, 22 January 2011.
- <sup>3</sup> Trethowan, *Split Screen*, 178.
- <sup>4</sup> William Rogers, 'Government Under Stress. Britain's Winter of Discontent 1979,' *The Political Quarterly* 55 no.2 (1984): 171–179.
- <sup>5</sup> James Thomas, "'Bound in by history': The Winter of Discontent in British politics, 1979-2004," *Media Culture Society* 29 no.2 (2007): 263.
- <sup>6</sup> Colin Hay, 'The Winter of Discontent Thirty Year On,' *The Political Quarterly* 80 no.4 (2009).
- <sup>7</sup> *Ibid.*
- <sup>8</sup> Thomas, 'Bound in by history', 263.
- <sup>9</sup> John Birt and Peter Jay, 'Why television news is in danger of becoming an anti-social force,' *The Times*, 3 September 1976, 6.
- <sup>10</sup> Steven Fielding, 'The 1974-9 governments and New Labour,' in *New Labour, Old Labour. The Wilson and Callaghan Governments, 1974-79*, eds. Anthony Seldon and Kevin Hickson (London: Routledge, 2004), 286.
- <sup>11</sup> Jonathan Boswell and James Peters, *Capitalism in Contention: Business Leaders and Political Economy in Modern Britain* (Cambridge: Cambridge University Press, 1997), 126.
- <sup>12</sup> Colin Hay, 'Chronicles of a Death Foretold: the Winter of Discontent and Construction of the Crisis of British Keynesianism', *Parliamentary Affairs* 63 no.3 (2010): 446-470.
- <sup>13</sup> Taylor, *The Trade Union Question in British Politics*, p.251.
- <sup>14</sup> *Ibid.*, 250.
- <sup>15</sup> *Ibid.*
- <sup>16</sup> 'Then Was the Winter of our Discontent,' The Archive Hour, BBC Radio 4. Broadcast 20:00 on 6 September 2008.
- <sup>17</sup> Hay, 'Chronicles of a Death Foretold,' 446-470.
- <sup>18</sup> Glasgow University Media Group, *Bad News*, 267-8.
- <sup>19</sup> To be clear, the use of this perhaps somewhat loaded word is not to suggest that these patterns of reporting stemmed from conscious partisanship, or that there exists a perfectly balanced or objective perspective against which such 'bias' can be assessed.
- <sup>20</sup> Schlesinger, *Putting 'Reality' Together*, 167-8.
- <sup>21</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 12 December 1978. Emphasis in original.
- <sup>22</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 3 October 1978.
- <sup>23</sup> BBC Written Archives Centre, R78/1,204/1, The Broadcasting of News in the United Kingdom, paper prepared for the General Advisory Council, 24 January 1974.
- <sup>24</sup> BBC Written Archives Centre, R78/1,204/1 NEWS POLICY, *BBC News (Domestic)*.
- <sup>25</sup> BBC Written Archives Centre, R78/1,204/1 NEWS POLICY, *The Broadcasting of News*, internal paper prepared for the General Advisory Council, 24 January 1974.
- <sup>26</sup> BBC Written Archives Centre, News and Current Affairs minutes 14 November 1978.
- <sup>27</sup> *Ibid.*
- <sup>28</sup> *Ibid.*
- <sup>29</sup> BBC Written Archives Centre, Board of Governor minutes 16 November 1978.
- <sup>30</sup> *Ibid.*
- <sup>31</sup> BBC Written Archives Centre, R1/115/17 B.O.G., *Report on BBC Coverage of the Industrial Situation 1979*, paper prepared for the General Advisory Council, 1 August 1979.
- <sup>32</sup> BBC Written Archives Centre, News and Current Affairs minutes 23 January 1979.
- <sup>33</sup> *Ibid.*
- <sup>34</sup> *Ibid.*
- <sup>35</sup> 'Letter: How the media are sowing a wind of ill will,' *Guardian*, 2 February 1979, 12.
- <sup>36</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 6 February 1979.
- <sup>37</sup> *Ibid.*

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- <sup>38</sup> BBC Written Archives Centre, News and Current Affairs minutes 2 February 1979
- <sup>39</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 13 February 1979
- <sup>40</sup> BBC Written Archives Centre, News and Current Affairs minutes 23 January 1979
- <sup>41</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 – 1980, Note of a Meeting held on 5 February 1979.
- <sup>42</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 5 December 1978.
- <sup>43</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 12 December 1978.
- <sup>44</sup> BBC Written Archives Centre, News and Current Affairs minutes 13 February 1979.
- <sup>45</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 13 March 1979.
- <sup>46</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 5 December 1978.
- <sup>47</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 13 March 1979.
- <sup>48</sup> *Ibid.*
- <sup>49</sup> *Ibid.*
- <sup>50</sup> *Media coverage of industrial disputes January and February 1979: A Cause for Concern* (London: Trades Union Congress, 1979), 30.
- <sup>51</sup> *Ibid.*, 30-1.
- <sup>52</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 26 June 1979.
- <sup>53</sup> *Ibid.*
- <sup>54</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 17 July 1979.
- <sup>55</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 26 June 1979.
- <sup>56</sup> BBC Written Archives Centre, BBC Consultative Group on Industrial and Business Affairs Minutes, 5 February 1979. R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 - 1980.
- <sup>57</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 17 July 1979.
- <sup>58</sup> Quinn, 'An apologia for the Glasgow University Media Group'.
- <sup>59</sup> Schlesinger, *Putting 'Reality' Together*, 106.
- <sup>60</sup> *Ibid.*, 133-4.
- <sup>61</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 6 February 1979.
- <sup>62</sup> BBC Written Archives Centre, R6/29/14 Advisory Committees General Advisory Council Meetings – Minutes 1979 – February 1980, Minutes of Board Meeting held on 7 February 1979.
- <sup>63</sup> BBC Written Archives Centre, News and Current Affairs minutes 23 January 1979.
- <sup>64</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 17 July 1979.
- <sup>65</sup> Gallup figures cited in Taylor, *The Trade Union Question in British Politics*, 369-72.
- <sup>66</sup> BBC Written Archives Centre, R78/1,204/1 NEWS POLICY, Extract from the Verbatim Report of the Proceedings of the General Advisory Council on 6 February.
- <sup>67</sup> BBC Written Archives Centre, R6/29/14 Advisory Committees General Advisory Council Meetings – Minutes 1979 – February 1980, Minutes of Board Meeting held on 25 July 1979
- <sup>68</sup> BBC Written Archives Centre, R1/115/17 B.O.G., *Report on BBC Coverage of the Industrial Situation 1979*, paper prepared for the General Advisory Council, 1 August 1979.
- <sup>69</sup> *Ibid.*
- <sup>70</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 – 1980, Note of a Meeting held on 2 July 1979.
- <sup>71</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 6 February 1979.
- <sup>72</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 – 1980, Note of a Meeting held on 2 July 1979.
- <sup>73</sup> *A Cause for Concern*, 31.
- <sup>74</sup> BBC Written Archives Centre, R1/115/17 B.O.G., *Report on BBC Coverage of the Industrial Situation 1979*, paper prepared for the General Advisory Council, 1 August 1979.
- <sup>75</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 – 1980, Note of a Meeting held on 2 July 1979.
- <sup>76</sup> *Ibid.*
- <sup>77</sup> *Ibid.*
- <sup>78</sup> *Ibid.*

- <sup>79</sup> BBC Written Archives Centre, R6/29/14 Advisory Committees General Advisory Council Meetings – Minutes 1979 – February 1980, Minutes of Board Meeting held on 24 October 1979.
- <sup>80</sup> In March 1979, for example, Richard Francis referred to an ITV *Weekend World* programme alleging police brutality in Northern Ireland, and complained that, ‘if the BBC had put on the same programme the switchboards would have been jammed and there would have been an outcry.’ BBC Written Archives Centre, News and Current Affairs Minutes, 13 March 1979.
- <sup>81</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 17 July 1979.
- <sup>82</sup> Derek Jameson, ‘Matthews, Victor Collin, Baron Matthews (1919–1995)’, *Oxford Dictionary of National Biography*, Oxford University Press, 2004, accessed 2 January 2011, <http://www.oxforddnb.com/view/article/60365>.
- <sup>83</sup> Curran and Seaton, *Power Without Responsibility*, 75.
- <sup>84</sup> ‘The Winter of Discontent’, Secret History, Channel 4, London, 13 June 1998.
- <sup>85</sup> Thomas, ‘Bound in by history’, 263–283.
- <sup>86</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 – 1980, Note of a Meeting held on 2 July 1979.
- <sup>87</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 – 1980, Note of a Meeting held on 22 October 1979.
- <sup>88</sup> *Ibid.*
- <sup>89</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 – 1980, Note of a Meeting held on 7 February 1977.
- <sup>90</sup> Norman Willis, letter to author, 26 November 2010.
- <sup>91</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 – 1980, Note of a Meeting held on 22 October 1979.
- <sup>92</sup> BBC Written Archives Centre, R6/29/14 Advisory Committees General Advisory Council Meetings – Minutes 1979 – February 1980, Minutes of Board Meeting held on 24 October 1979.
- <sup>93</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 17 July 1979.
- <sup>94</sup> *Ibid.*
- <sup>95</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 13 March 1979
- <sup>96</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 – 1980, Note of a Meeting held on 2 July 1979.
- <sup>97</sup> BBC Written Archives Centre, R1/115/17 B.O.G., *Report on BBC Coverage of the Industrial Situation 1979*, paper prepared for the General Advisory Council, 1 August 1979.
- <sup>98</sup> BBC Written Archives Centre, News and Current Affairs minutes 6 February 1979.
- <sup>99</sup> *Ibid.*
- <sup>100</sup> BBC Written Archives Centre, News and Current Affairs minutes, 23 January 1979
- <sup>101</sup> Broadcasting and Politics. Speech given to the Guild of British Newspaper Editors at Coventry by Ian Trethown Director-General of the British Broadcasting Corporation Saturday 22 October 1977.
- <sup>102</sup> Curran and Seaton, *Power Without Responsibility*, 72.
- <sup>103</sup> BBC Written Archives Centre, R78/1,204/1 NEWS POLICY *The Task of Broadcasting News* (G.269/75) of 11 December 1975
- <sup>104</sup> e.g. Paul Hartmann, ‘Industrial relations in the news media,’ *Industrial Relations Journal* 6 no.4. (Winter 1975/76).
- <sup>105</sup> ‘TV/Radio,’ *Financial Times*, 6 November 1978, 8. ‘TV/Radio,’ *Financial Times*, 6 November 1978, 8. BBC Motion Picture Gallery, BBC News, 6 November 1978 11.30pm.
- <sup>106</sup> Andrew Marr, ‘Obituary: Vincent Hanna’, *Independent*, 23 July 1997, accessed 29 December 2014, <http://www.independent.co.uk/news/people/obituary-vincent-hanna-1252092.html>.
- <sup>107</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 14 November 1979.
- <sup>108</sup> BBC Written Archives Centre, Board of Governors minutes 16 November 1978.
- <sup>109</sup> BBC Written Archives Centre, News and Current Affairs minutes 14 September 1974.
- <sup>110</sup> *Ibid.*
- <sup>111</sup> BBC Written Archives Centre, Board of Governors minutes 7 December 1974.
- <sup>112</sup> BBC Written Archives Centre, Board of Governors minutes 4 October 1974.
- <sup>113</sup> BBC Written Archives Centre, Board of Governors minutes 14 December 1974.
- <sup>114</sup> Interview with James Long, 28 May 2014.

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- <sup>115</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 7 December 1973.
- <sup>116</sup> BBC Written Archives Centre, General Advisory Council Minutes, 3 April 1974.
- <sup>117</sup> BBC Written Archives Centre, Board of Governors Minutes, 28 June 1979.
- <sup>118</sup> *Ibid.*
- <sup>119</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 27 February 1979.
- <sup>120</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 - 1980. BBC Consultative Group on Industrial and Business Affairs Minutes, 23 April 1979.
- <sup>121</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 6 February 1979.
- <sup>122</sup> BBC Written Archives Centre, R78/1,204/1, The Broadcasting of News in the United Kingdom, paper prepared for the General Advisory Council, 24 January 1974.
- <sup>123</sup> John Eldridge, *The Glasgow Media Group Reader, Vol. I: News Content, Language and Visuals*. London and New York: Routledge, 1995, 289.
- <sup>124</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 - 1980, Minutes of meeting held on 22 October 1979.
- <sup>125</sup> BBC Written Archives Centre, R6/29/14 Advisory Committees General Advisory Council Meetings - Minutes 1979 - February 1980, Minutes of Board Meeting held on 7 February 1979.
- <sup>126</sup> BBC Written Archives Centre, R1/115/17 B.O.G., *Report on BBC Coverage of the Industrial Situation 1979*, paper prepared for the General Advisory Council, 1 August 1979.
- <sup>127</sup> Hartmann, 'Industrial relations in the news media', 4-18.
- <sup>128</sup> *Ibid.*
- <sup>129</sup> BBC Written Archives Centre, R78/1,204/1 NEWS POLICY, *BBC News (Domestic)*, internal paper commissioned by the Director-General on 17 December 1973 and considered by the Board of Management on 21 January 1974.
- <sup>130</sup> BBC Written Archives Centre, R6/29/14 Advisory Committees General Advisory Council Meetings - Minutes 1979 - February 1980, Minutes of Board Meeting held on 24 October 1979.
- <sup>131</sup> BBC Written Archives Centre, R1/115/17 B.O.G., *Report on BBC Coverage of the Industrial Situation 1979*, paper prepared for the General Advisory Council, 1 August 1979.
- <sup>132</sup> Interview with Andrew Taussig, 22 January 2011.
- <sup>133</sup> Rogers, 'Government Under Stress,' 171-179.
- <sup>134</sup> BBC Written Archives Centre, R6/29/14 Advisory Committees General Advisory Council Meetings - Minutes 1979 - February 1980, Minutes of Board Meeting held on 7 February 1979.
- <sup>135</sup> BBC Written Archives Centre, R6/29/14 Advisory Committees General Advisory Council Meetings - Minutes 1979 - February 1980, Minutes of Board Meeting held on 24 October 1979.
- <sup>136</sup> 'Healey warning fails to impress unions,' *Guardian*, 12 January 12, 1979, 1.
- <sup>137</sup> BBC Written Archives Centre, News and Current Affairs minutes 23 January 1979.
- <sup>138</sup> BBC Written Archives Centre, R78/77/1 Consultative Group on Industrial and Business Affairs. Minutes 1976 - 1980, Note of a Meeting held on 2 July 1979.
- <sup>139</sup> BBC Written Archives Centre, R6/29/14 Advisory Committees General Advisory Council Meetings - Minutes 1979 - February 1980, Minutes of Board Meeting held on 7 February 1979.
- <sup>140</sup> *Ibid.*
- <sup>141</sup> Fielding, 'The 1974-9 governments and New Labour', 290.
- <sup>142</sup> BBC Written Archives Centre, News and Current Affairs Minutes, 17 July 1979.
- <sup>143</sup> BBC Written Archives Centre, R1/115/17 B.O.G., *Report on BBC Coverage of the Industrial Situation 1979*, paper prepared for the General Advisory Council, 1 August 1979.
- <sup>144</sup> BBC Written Archives Centre, R6/29/14 Advisory Committees General Advisory Council Meetings - Minutes 1979 - February 1980, Minutes of Board Meeting held on 24 October 1979.
- <sup>145</sup> Interview with Greg Philo, 14 January 2011.

## Part II

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## Chapter 5

### The Iron Cage of Birtism

That selfish people in a wicked world design institutions that produce wicked outcomes is not surprising.

- Dennis Mueller, President of the Public Choice Society, 1984-1986.<sup>1</sup>

[Birtism] was very controversial. He was hated, despised, by a lot of people, particularly perhaps those who were already in established positions. It was caricatured and mocked and misunderstood, but also to a certain extent implemented.

- Peter Jay, BBC Economics Editor, 1990-2001.<sup>2</sup>

In Part I we focused on the breakdown of social democracy in the 1970s. That period saw the rise of Thatcherism, which over the course of the following decade would institutionalise a new neoliberal order; a process of social transformation which, as was initially outlined in Chapter 1, is understood here as a reaction to both the democratic advances of the early to mid 20th century and the upsurge in radical egalitarian movements in the late 1960s. Part II of this thesis is largely, though not entirely, focused on the post-Thatcher period. Chapters 6 and 7 together detail the growth of economics and business journalism at the BBC, focusing largely on the two decades leading up to the 2008 financial crisis. First, in this chapter, we analyse the programme of organisational reform and cultural change undertaken by the BBC leadership in the late 1980s and early 1990s. During this period, the BBC leadership centralised and augmented editorial authority and imposed market-based managerial reforms which, it was claimed, would devolve decision-making and bring greater efficiency and value for money. These reforms, which were highly controversial and widely criticised for expanding bureaucracy and stifling creativity and editorial freedom, are most closely associated with the person of John Birt, who was Deputy Director-General from 1987 to 1992 and Director-General until 2000.

Along with the BBC's founding father, John Reith, Birt is the only Director-General to be associated with an ethos or philosophy; the literature is replete with references to 'Birtism', 'Birtist management' or 'Birtspeak'. This is not necessarily testament to the strength of Birt's leadership or the clarity of his vision. He is certainly the most unpopular Director-General in the Corporation's history and the ideas championed by, or associated with, him were neither especially coherent nor particularly original. Yet commentators write of Birtism, but not, for example, of 'Greene-ism' after Hugh Greene, surely a more esteemed figure in the history of broadcasting. Why so? Mann has suggested that ideologies – isms – 'become especially necessary in crises where the old institutionalized ideologies and practices no longer seem to work' and are 'suddenly important when we have to grapple with unexpected crisis'.<sup>3</sup> It is perhaps more accurate though to say that ideologies are more *conspicuous* when they go against the grain of existing cultures and practices, such as, as Mann suggests, during periods of crises when 'institutionalized ideologies' are contested and new ideas are reshaping institutions and social relations. This seems to be the case with Birtism, which was conspicuous because – like its near contemporary Thatcherism – as a programme for reform and a set of ideas it was displacing the existing institutionalised order and simultaneously legitimising that process.

What was this new ideology which displaced the broadcasting *status quo*? Presenting the prestigious MacTaggart lecture in 1992, the veteran television executive and former Birt ally Michael Grade referred to a 'pseudo-Leninist management style' at the BBC;<sup>4</sup> and he was not the only one to associate the Birtist revolution with the radical left. The scriptwriter Troy Kennedy Martin is reported to have called Birt a Leninist to his face during a meeting<sup>5</sup> and the former *Panorama* producer Tom Bower, has described Birt as 'a Stalinist vandal'.<sup>6</sup> In 2001, an unnamed former senior executive told the *Independent* that Birt's BBC was 'like the Soviet Union under Stalin'<sup>7</sup> and Glynne Price, the



former head of personnel for programme makers, concurs, remarking that the Corporation under Birt had ‘an eastern European feel to it’.<sup>8</sup> According to one report, the BBC’s official paper, *Ariel*, was referred to by staff as *Pravda* during Birt’s leadership<sup>9</sup> and Birt himself notes in his autobiography that the popular ITV current affairs programme, *World in Action*, claimed in the 1980s that he was introducing ‘stalinisation’ at the Corporation.<sup>10</sup> This reputation would follow Birt to 10 Downing Street, where he worked as a consultant under Tony Blair, and was attacked in the press for proposing Stalinist ‘five year plans’ for ministers.<sup>11</sup>

It is perhaps unsurprising that a generation of journalists and cultural workers seeped in cold war ideology would reach for such language when a quasi-state bureaucracy threatens their intellectual and creative freedom. What is more surprising is that so few commentators and critics of Birtism have recognised that its intellectual roots lie not on the radical left, but the reactionary right. This is precisely the argument made in this chapter which, drawing on internal files obtained under the Freedom of Information Act, and published accounts of some of the key protagonists, outlines the changes Birt imposed at the Corporation, as well as detailing the social and historical origins of the ideas which informed them. Producer Choice – the initiative at the heart of Birt’s programme of organisational reform and cultural change – was part of a much wider market-based restructuring of public sector organisations in Britain and elsewhere from the 1980s onwards, which was informed by a new administrative ethos known as the New Public Management which had roots in the neoliberal movement and its programme to restructure society.

We begin with a biographical sketch of John Birt, an overview of the circumstances which brought him to the BBC and an account of the early changes to BBC journalism he introduced. This is followed by an account of the development and implementation of Birt’s flagship managerial initiative, Producer Choice. The following section provides an account of the origins of the New Public Management (of which Producer Choice was one variety), outlining in some detail its intellectual roots in the neoliberal movement, and particularly the public choice school. If this section seems somewhat tangential, it is because the argument here – that what at the BBC was known as Birtism has historical roots in anti-democratic political philosophy – rests in part on a critique and revision of common (mis)understandings of neoliberalism as a project to ‘roll back the state’ or cut bureaucracy, and therefore requires a somewhat lengthy exposition. This intellectual history provides the context for the concluding sections which provide a critical assessment of the Birt era reforms, arguing that the authoritarianism and bureaucratic character of Birt’s BBC, whilst antithetical to neoliberal (and Birtist) rhetoric, are in fact central features of neoliberal praxis.

### **Reforming the ‘uncontrolled leviathan’**

John Birt’s arrival at the BBC in 1987 was part of a political project to discipline the Corporation which gathered momentum from the mid-1980s. From 1984, a coalition of forces launched a seemingly unrelenting assault on the BBC which seemed to threaten its very survival. The nature of this coalition has been described in considerable detail by O’Malley in his book *Closedown?!*. Most obviously it included prominent figures in the Conservative government, most of all the prime minister herself. However, as O’Malley describes, it was a much broader coalition, comprising an array of interconnected individuals, companies and private advocacy groups:

Some, like Murdoch or the Saatchis, were by occupation capitalists. Others – such as those associated with the Adam Smith Institute and the Institute of Economic Affairs – are best understood as ideologues driven by the desire to promote the virtues of capitalism. Still others were politicians with close links to both industry and the ideologues. Some of these politicians like Young and Tebbit were in government. These networks acted as an informal coalition of interests on the issue of broadcasting, a coalition which operated inside and outside the formal state system linking the world of business to the world of policy-making.<sup>12</sup>

In 1985, following a series of anti-BBC editorials in *The Times* (since 1981 part of Rupert Murdoch’s News International) the Thatcher government appointed the neoliberal economist Alan Peacock to head the Committee on Financing the BBC, which was widely expected to abolish the licence fee and recommend that the Corporation take advertising. Meanwhile, there were a series of forceful attacks

on the BBC's political programming. Probably the most severe of these related to a BBC *Real Lives* documentary which featured an interview with Sinn Féin's Martin McGuinness. The Home Secretary Leon Brittan complained in a letter to the BBC Chairman Stuart Young that if the documentary were broadcast the BBC would be 'materially assist[ing] the terrorist cause' by 'giving an immensely valuable platform to those who have evinced an ability, readiness and intention to murder indiscriminately its own viewers.'<sup>13</sup> In response, the increasingly politicised Board of Governors took the unprecedented step of previewing the programme and decided that it should not be broadcast. This led to a bitter conflict with the BBC Management, with the Governors demanding to know how the BBC 'controlled its journalists', and threatening to fire the Director-General Alistair Milne if, as was planned, he announced that the documentary would be broadcast at a later date.<sup>14</sup> In October 1986, only months after the *Real Lives* controversy, the Conservative Party Chairman Norman Tebbit – who during the Falklands conflict had been enraged by what he later referred to as the 'unctuous "impartiality" of the BBC's editorialising' and its 'elaborate even-handedness'<sup>15</sup> – announced to the Conservative Party Conference that he had set up a unit at Conservative Central Office to monitor BBC programming. Shortly afterwards he submitted a dossier to the BBC detailing its supposedly bias coverage of the US bombing of Libya earlier that year.<sup>16</sup> That same month saw the appointment of a new BBC Chairman. Thatcher had been advised by the former Director-General Ian Trethowan (via her confidant Woodrow Wyatt) that it was not necessary to impose a new constitution or organisational structure to discipline the BBC, since the Board of Governors were 'all powerful' and subject to political appointment. All that was needed, he suggested, was a strong chairman.<sup>17</sup>

The man appointed on the death of Stuart Young (himself the brother of the Thatcherite Minister and former director of the neoliberal Centre for Policy Studies, David Young) was the former *Times* executive Marmaduke Hussey; reportedly appointed with a brief from Tebbit's office to 'get in there and sort it out'.<sup>18</sup> On arrival, Hussey immediately settled a pending libel case concerning a *Panorama* programme broadcast in January 1984 called 'Maggie's Militant Tendency'<sup>19</sup> – another controversial programme, which alleged far-right infiltration of the Conservative Party and made allegations against several Tory MPs. The libel case, brought by Neil Hamilton and Gerald Howarth MPs, was supported by a fighting fund of around £100,000 raised by Ralph Harris, the Chairman of the neoliberal Institute of Economic Affairs.<sup>20</sup>

Within months, Hussey had, with the assistance of his deputy Joel Barnett, planned and orchestrated the forced resignation of the Director-General Alistair Milne. Milne's successor, the BBC accountant Michael Checkland, was appointed on the condition that 'he brought in a deputy who could successfully undertake the much needed overhaul of news and current affairs.'<sup>21</sup> Hussey's preferred candidate was David Dimbleby, whom he had favoured over Checkland for Director-General. However, after Dimbleby was vetoed by Checkland, the position was instead offered to John Birt, the then Director of Programmes at London Weekend Television (LWT). Birt had been 'strongly recommended' to Hussey by the ITN Chairman Paul Fox and by Peter Jay, whom Hussey knew from his time at Times Newspapers.<sup>22</sup> Birt thus emerged as the sole candidate to head BBC journalism. He met with Michael Checkland who explained that 'the whole area' of 'BBC news and current affairs were a big problem, under disparate management, of uneven quality and out of control'. They 'needed sorting', and Birt was the man for the job.<sup>23</sup>

The son of an insurance manager, John Birt grew up in Crosby, a suburb of Liverpool, where he attended a Catholic grammar school that 'had started to succeed in getting boys to Oxford'.<sup>24</sup> From there he won a place at St Catherine's College, Oxford where he studied engineering. After graduating, he was rejected for a traineeship at the BBC, perhaps because he achieved only a third class degree, but built an impressive career for himself at ITV. After a period working on the investigative current affairs programme *World in Action*, and two years as a producer on *The Frost Programme*, he was appointed to head LWT's new current affairs programme *Weekend World*, a highbrow offering which though never exactly popular, proved to be highly prestigious.

Birt's role at LWT brought him into the orbit of the ascendant neoliberal movement in the UK. *Weekend World*, Birt recalls, 'was a key centre of economic debate in the UK in the 1970s'<sup>25</sup> and its main presenter Peter Jay was its 'key asset'.<sup>26</sup> Jay, then the economics editor at *The Times*, had been converted to neoliberalism following a trip to the United States in the late 1960s during which he had

visited Stanford and the University of Chicago, becoming good friends with Milton Friedman.<sup>27</sup> At *Weekend World*, Jay brought in likeminded monetarists like Sam Brittan (later a member of the Peacock Committee) and the London Business School economists Alan Budd and Terry Burns (both of whom would become influential advisors to the Thatcher government). The latter became close friends with Birt, to whom, Birt recalls, he ‘patiently explained the significance of different monetary measures’.<sup>28</sup> Birt also met with the leading Conservative Party neoliberal, Keith Joseph, ‘many times in the 1970s, often lunching alone with him’,<sup>29</sup> and attended seminars at the Institute of Economic Affairs, where he saw Milton Friedman speak.<sup>30</sup> Brian Walden, Peter Jay’s successor as presenter on *Weekend World*, was also a regular at the Institute of Economic Affairs. Its director Ralph Harris, later remarked that Walden ‘became a scalp that we treasured’ and ‘would often have our chaps on his television programmes’.<sup>31</sup>

Through these professional relationships and personal friendships, Birt, who by his own account left university a politically naïve, faintly left-wing, libertarian, became a committed neoliberal. He summarises his political development as follows:

I had met some of the sharpest and best-informed minds in the country. Two people in particular – Peter Jay and Terry Burns – had had a profound impact on my thinking. I had become a convert to free-market mechanisms. I was deeply sceptical that the state could run business. I abhorred the increasingly ugly abuse of power by the trade unions, not least in my own industry. I could see that my unthinking conviction in the 1960s that the state could solve every problem, that public spending could rise and rise, was ill founded.<sup>32</sup>

By the time of his appointment as Deputy Director-General of the BBC then, Birt was a longstanding ‘convert to the value of markets’. Moreover, he was, he writes, ‘hostile to vested interests’ and had ‘experience [from LWT] of the difficulties of driving change against heavy resistance’.<sup>33</sup>

### **Authoritative and analytical journalism**

In 1987 Birt arrived at the BBC with a political remit for, and personal commitment to, radical reform, and was determined to impose his version of good journalism and good management on the Corporation. We encountered Birt’s conception of good journalism in Chapter 2. In the mid-70s, along with Peter Jay, he attacked television journalism for its lack of analytical rigour, claiming that it drew attention to the symptoms of political and economic problems without providing any analysis of their root causes – a fact which, Birt and Jay suggested, had exacerbated the political and economic crisis of the 1970s. Television, they argued, had no political bias, as had been claimed by other critics.<sup>34</sup> Rather it was guilty of a ‘bias against understanding’.<sup>35</sup> The proposed solution was to dispense with the distinction between news and current affairs, to introduce more context and analysis into the latter, and to recruit specialist journalists to provide informed analysis of political and economic problems.<sup>36</sup> This was more or less the philosophy of journalism that underpinned the changes Birt introduced during his period as Deputy Director-General. Two months after his arrival, Birt summoned all the BBC’s senior managers to a four day conference at a hotel in Surrey and set out his plans for a unified news and current affairs directorate which would produce ‘authoritative and analytical journalism’ delivered by journalists with specialist expertise.<sup>37</sup> To Birt’s disappointment, his proposed changes were not welcomed by staff who, he recalls, ‘feared I had been imposed from the outside to neuter the BBC’s journalism’.<sup>38</sup> Undeterred, Birt set out to ‘reform and to modernise’ what he later referred to as the ‘uncontrolled leviathan’ of BBC news and current affairs. Under the new regime ‘rigorous procedure for monitoring particularly sensitive programmes’<sup>39</sup> were introduced, newsgathering was centralised and programme scripts were routinely vetted. James Long, who left the Corporation shortly after Birt’s arrival explains:

One of the things that really bothered people was an increasing move towards script approval. Until then, as a correspondent if I was in some God forsaken part of the world and I called in with a story, it was expected that as a correspondent I was almost self-scheduling and it was almost up to me to decide which stories I did and where I was, according to budgets. But if I said, ‘This is the story,’ nobody was going to turn round and say, ‘We know better.’ After that, I stayed in touch with Kate Adie and Martin Bell

and lots of people after I left and they were finding it extremely frustrating that you would get to the point where you'd called the desk from somewhere and before you'd started talking they'd say, 'Now by the way, the way we see this story is...', and tell you what your story ought to say when you were out there actually at the story. That sounds like a joke, but that is the way it became. And it became that way out of a sort of slightly centralising, control freaky thing that was going on around the new bureaucracy.<sup>40</sup>

The obduracy and arrogance with which Birt carried out his task comes across well in his own account, in which he complains of 'the stifling conservatism and inertia of the organisation, its civil service culture, its hostility to change'.<sup>41</sup> 'I had battled on many fronts', Birt recalls, 'against boneheaded baronialism and obstructionism'.<sup>42</sup> Sidestepping the usual recruitment procedures, Birt assembled a senior management team by direct appointment. He writes that he warned the Board of Governors that there would be 'blood on the wall' as his cabal 'fought battle after battle with the forces of resistance among BBC journalists'.<sup>43</sup> Birt's belligerency is matched only by his self-pity. He complains that he pursued his thankless task in a state of 'friendlessness', comforted only by his 'soulmates at work', Howell James and Patricia Hodgson, and Chairman Hussey who stood by him as 'solid as a rock'.<sup>44</sup> Indeed, so dispirited was Birt that in December 1987 a group of his 'chums', organised a 'Cheer-Up-John-Birt Dinner' intended to, in the words of Channel 4's Liz Horgan, 'rescue John from the cruel and unusual punishment that seems to attach to his new job'.<sup>45</sup>

Birt was highly unpopular, but with the backing of Hussey and the rest of the Board of Governors, he was indeed 'all powerful' and was able to impose his vision on a sceptical and demoralised workforce. His authority was imposed through the promotion of ambitious staff members and consolidated through an influx of new personnel, not socialised into the old 'institutionalised ideologies'. A former news and current affairs executive told Born: 'In 1987 when Birt arrived, there was a night of the long knives when most of the senior people in News and Current Affairs were booted out. It was brutal, a coup.'<sup>46</sup> Birt and his lieutenants then undertook a 'vast recruitment and deployment exercise', bringing in 'eighty specialist journalists' from the private sector, prompting 'a flock of early retirements' from existing staff.<sup>47</sup> Amongst the recruits were Peter Jay, who in 1990 was appointed the BBC's Economics and Business Editor.

Birt's vision of good journalism was institutionalised not just through the expansion of editorial control and the recruitment of new personnel, but also through changes in the physical spaces in which BBC journalism was practised. A particular bugbear of Birt's was the Lime Grove studios. Physically remote and architecturally complex, the cluster of buildings were anathema to the bureaucratic rationalisation Birt was determined to impose. Bewildering to the outsider, their arcane structure and relative isolation fostered insular self-regulated enclaves and symbolised, indeed embodied, the uncontrolled and superficial journalism that Birt sort to eradicate. In his autobiography, Birt describes Lime Grove as:

Plonked unnaturally in a residential street in the Hammersmith/Shepherds Bush area of London, the centre was British broadcasting's Gormenghast – a labyrinthine building of bewildering complexity, run-down and ramshackle, unsuitable for modern programme-making, a festering rabbit warren sheltering hidden cliques.<sup>48</sup>

Birt later contrasts the 'many shabby premises' that once hosted BBC news and current affairs, with the 'modern, purpose built, technically advanced complex at Television Centre'<sup>49</sup> and the privately owned Millbank Studios near Parliament, where the BBC 'became the founding tenant' in 1993.<sup>50</sup> Just as Lime Grove to Birt embodied the journalistic ethos of the 'old guard', so to the critics of Birtism, Millbank, as Born has detailed, symbolised the craven journalism that displaced it; its geographical proximity to Westminster mirrored by its journalists' incestuous relationships with politicians and their spin doctors, whose agenda of news management dovetailed with Birt's suspicion of adversarial journalism and his centralisation of editorial authority.<sup>51</sup> White City One, another BBC building of this era which housed much of the Corporation's current affairs programming, was referred to by one interviewee as a 'ghastly silver building which only an engineer could possibly commission' and as having been a 'manifest[ation]' of Birt's management style.<sup>52</sup> Widely unpopular

with staff, the business-like complex was designed for flexibility, allowing for glass partition panels to be put up at minimum cost, meaning it could house workers for short periods and at short notice.<sup>53</sup>

### Uncosted anarchy

Birt's management style and vision was as controversial as his conception of good journalism. He brought with him a profound scepticism about the finances and organisational structure of the BBC and, drawing on *en vogue* theories of management, sought to transform the Corporation into the 'best managed public sector organisation in the world'.<sup>54</sup> The managerial side of Birtism was, if anything, less popular than its journalistic side, and was maligned in the press across the political spectrum. The assessment of the conservative humorist Quentin Letts – who gives Birt the dubious honour of ranking him number six in his *50 People Who Bugged Up Britain* – is utterly scathing in its tone, though quite typical in its assessment. Birt, Letts charges, 'turned the BBC into a bean-counting Babel'. He was a man 'obsessed with systems and procedures and power diagrams and channels of accountability'.<sup>55</sup>

Just as Birt's reforms to news and current affairs were introduced in the wake of political attacks on the BBC's journalism, so his managerial reforms were implemented in the context of relentless attacks on the BBC for its alleged inefficiency and lack of financial discipline. They were, Birt candidly admits in his autobiography, conceived under 'Thatcher's beady eye' and intended to appease 'a Conservative government desperate to see the BBC reformed'.<sup>56</sup> The Thatcher government had frozen the licence fee for two years in 1986 and a year later announced that future licence fees would be pegged to the retail price index (which in a technology intensive industry like broadcasting arguably meant permanent cuts). The Director-General Michael Checkland (who in the late 1960s and early 1970s had overseen the McKinsey reforms) was then put under considerable political pressure to deliver budget cuts, and in 1989 he set up a committee headed by the BBC's Director of Finance to investigate possible savings. The committee published its report, *Funding the Future*, in January 1990, committing the Corporation to making £75million in cuts. Meanwhile, under pressure from 10 Downing Street, the Home Secretary David Waddington commissioned a report on the licence fee by Price Waterhouse. The accountancy giant accused the BBC of overstaffing and claimed to have identified potential savings of £203 million.<sup>57</sup> The report included statistics comparing the number of BBC staff per hours of in-house programming with ITV, and found that, judging by this measure, both the BBC and ITV had become more 'efficient' between 1985 and 1988, but since that time ITV staff numbers per hour had continued to decline, whilst the BBC's 'efficiency' remained more or less unchanged.<sup>58</sup> During this period, according to Birt, the pressure on Hussey from Waddington's successor as Home Secretary Kenneth Baker to deliver further 'efficiency savings', was such that Hussey's position came under threat.<sup>59</sup>

Birt now looked to position himself as the heir to Michael Checkland; a radical capable of delivering what the BBC 'gradualist' could not. During the course of 1990, he headed the Television Resources Review, a cost cutting exercise conducted in anticipation of the reduction in BBC production expected to follow the implementation of the 25% independent production quota imposed on the BBC by the Thatcher government. Birt brought together a 'core of people' to investigate the BBC 'machine', including a team of accountants assembled by Peter Hazell, a senior economist at Coopers and Lybrand.<sup>60</sup> Birt claims to have been 'offended and appalled' by the group's findings, which included underused, and even unused, studios as well as evidence of significant overstaffing, particularly of technicians and support workers. BBC 'bureaucrats', Birt later wrote, were 'wasting the public's money on a mammoth scale,' 'undisciplined by market competition or effective controls'.<sup>61</sup> Birt's discovery of this 'uncosted anarchy' during the Television Resources Review led to a 'radical' recommendation: an internal market should be introduced at the BBC. The 'fundamental' motivation behind this proposal, which was to become known as Producer Choice, Birt writes, was 'to sweep away the command economy that had produced such boundless waste and to introduce a system which would ensure the BBC would not only become more efficient but remain so'.<sup>62</sup> Producer Choice, Birt writes, was 'the single most decisive change for the better during my time at the BBC, the long overdue and necessary proof that the BBC could sort itself out, that it could put its own affairs in order'.<sup>63</sup>

Birt does not record in his autobiography from where the ‘radical’ idea of an internal market originated, but he does note the fact that during the course of the Television Resources Review John Harvey-Jones, a former executive with the chemicals company ISI, publicly attacked the BBC ‘for denying choice to its producers – telling them, for instance, which camera or studio or editing crews they had to work with.’<sup>64</sup> Harvey-Jones was a well known figure in British industry who had introduced severe cuts at ISI under the advice of management consultants, and had been made a household name by the BBC as the front man of its popular *Troubeshooter* series, in which he advised struggling businesses. Another influential figure who proposed market-based reform at the BBC was the future Director-General Greg Dyke, then at Birt’s old company LWT. At a conference for the BBC leadership held in May 1991, Dyke gave a speech advocating the establishment of an ‘internal market’ at the Corporation.<sup>65</sup> Perhaps more significant though, and absent from Birt’s account, is the fact that the idea of an internal market had already been proposed by Checkland in the summer of 1989 and piloted in BBC Film that year.<sup>66</sup>

Birt’s proposal for a ‘new resource management system’ to be rolled out across the BBC was discussed by the Board of Management in June 1991. Apparently to Birt’s surprise, the proposal received no opposition and was endorsed by the Director-General Michael Checkland.<sup>67</sup> In July 1991, this decision was approved by the Board of Governors<sup>68</sup> which a week later appointed John Birt as successor to Checkland. This appointment represented a final breakthrough for the cabal of radical reformers at the top of the BBC, who were supported by the Conservative government, but regarded with considerable suspicion within the Corporation. Birt recalls: ‘I had been put into power by a coup, led by Hussey, designed to overthrow for the first time the established interests and power structures of the BBC.’<sup>69</sup>

On 29 October 1991, the Producer Choice proposal was announced to BBC managers at the BBC’s Conference Centre at White City. Birt took the lead at the event, introduced by the outgoing Director-General Michael Checkland. He explained that the BBC needed to change and provided an outline of the proposed new system.<sup>70</sup> It was pitched as an initiative to both defend the BBC from its right-wing critics and to free producers from bureaucratic controls:

Behind Producer Choice is the idea that wherever possible we want to simplify and clarify relationships; to cut out bureaucracy; to devolve power; to design the system around customer-supplier relationships, with the customer holding the funds.<sup>71</sup>

The new initiative was called ‘Producer Choice’ to distinguish it from the ‘internal market’ that was being introduced in the National Health Service (NHS). The two initiatives were similar, each seeking to institute buying-seller relationships into publicly owned institutions in the hope that this would create competitive pressure on costs. The NHS internal market, which was introduced two years before Producer Choice, had been originally proposed by Alain Enthoven, an American private health consultant and former economist at the RAND Corporation. In a 1985 report commissioned by the Nuffield Trust, Enthoven argued that using ‘commercial contractors for catering, cleaning, and laundry services could yield significant financial savings’ and suggested that the NHS purchase ‘acute care services from the private sector when it can get them at a lower price than the internal cost’.<sup>72</sup> The difficulty with such a proposal though was that as long as the internal costs of particular administrative tasks could not be quantified, it was impossible to make the external price comparisons necessary. Enthoven therefore suggested that ‘cost finding systems ought to be developed’ so that the NHS could, as he put it, ‘become more of a discerning purchaser of services from competing private suppliers and thereby realize some of the benefits of efficiency and innovation that competition the private sector offers.’<sup>73</sup> Enthoven’s ‘Internal Market Model’ was based around autonomous regional healthcare bodies, each given resources and a capital allowance, meaning they could ‘buy and sell services from and to other Districts and trade with the private sector.’<sup>74</sup> A quasi-market, broadly based on Enthoven’s proposals, was eventually introduced by the Conservative government in 1991 when the NHS was split into health authorities, each acting as purchasers of services on behalf of patients, with hospital trusts obliged to compete in selling their services.<sup>75</sup> The Producer Choice system introduced at the BBC two years later differed in its bureaucratic design, but the politics and management philosophy behind both initiatives were strikingly similar. Both represented top-down market-based reorganisations of popular public institutions informed by theories of the ‘New Public

Management'.<sup>76</sup> Indeed, the affinity between the two projects was not lost on those designing the Producer Choice system. In the early stages of its development, Producer Choice's Project Director asked for advice from Alasdair Liddell of the East Anglia Regional Health Authority who had overseen the controversial pilot scheme for the NHS internal market, and who also happened to be married to Jenny Abramsky, the woman who Birt had appointed to head BBC Radio.<sup>77</sup>

### **A sharp business edge**

The key figures who would oversee the implementation of Producer Choice were Birt himself, the BBC manager Michael Starks, who became Project Director, and two private consultants from the accountancy firm Coopers and Lybrand: Alan Hammill and Rob Jenkins. Coopers and Lybrand had worked on the Television Resources Review and was central to the development and implementation of Producer Choice. Hammill and Jenkins were permanent members of the Steering Group (along with Birt, Starks, his personal assistant, a training coordinator and a secretary<sup>78</sup>) and there were another three further Coopers and Lybrand consultants on the Producer Choice distribution lists (namely Peter Hazell, Terry Plumb and Charles Simpson).<sup>79</sup> Coopers and Lybrand was the result of the consolidation of dozens of small UK accountancy firms and a subsequent transatlantic partnership with the US firm Lybrand, Ross Brothers and Montgomery. Along with a host of other financial and management consultancy firms, Coopers and Lybrand had been an advisor on the key privatisation of the Thatcher era, including that of Amersham International, British Telecom, Jaguar, Rolls Royce, Royal Ordnance Factories, British Steel and BT.<sup>80</sup> The firm had only recently merged with the UK sections of Deloitte which had resisted the US-led merger with Touche Ross, thus becoming Coopers and Lybrand Deloitte. It would later merge with Price Waterhouse to form PricewaterhouseCoopers, a quarter of what were by then known as the 'Big Four' accountancy firms, together responsible for auditing almost all of the world's multinational corporations.

Michael Starks, the man given overall responsibility for the implementation of Producer Choice, began his career at the BBC as a producer in the 1970s and then became head of Radio Programming at the Independent Broadcasting Authority before returning to the BBC in 1978 to work in management. As General Manager of Radio Administration, his most recent post before his appointment as Project Director for Producer Choice, he had cut staff and contracted out services.<sup>81</sup> In September 1991, the same month that the Producer Choice Steering Group was established, Starks completed his book, *Not for Profit, Not for Sale: The Challenge of Public Sector Management*, in which he acknowledged the influence of the London Business School on his thinking. *Not for Profit, Not for Sale* was published as part of a series entitled, 'Reshaping the Public Sector'. In it Starks wrote of the need for 'modern public service ideals' and 'hard-headed as well as high-minded management'.<sup>82</sup> As the title of his book suggests, Starks was no advocate of privatisation, indeed the book was pitched as a defence of 'public sector values and public service management'. Rather what he called for was 'modernisation', largely through the introduction of market-like incentives. 'Public sector managers,' Starks wrote in the preface, 'need to recognise the home truths in the political criticisms of their profession.' The book included an overview of British post-war politics and an account of the rightward shift that had taken place under Thatcher, in which Starks referred to 'a decade of Conservative government in Britain and an historic revolution not only in Eastern Europe but in political ideology'.<sup>83</sup> The Producer Choice concept was very much in keeping with this 'revolution in political ideology'. It augmented and accelerated a process of neoliberalisation at the BBC that had been begun under Michael Checkland. As Starks noted, by the time the Producer Choice system was being developed, the BBC had already 'embraced' the independent production quota and had contracted out 'ancillary support services'. Producer Choice, he noted, would 'give a further push to these developments,' 'carrying further processes initiated in the late 1980s'.<sup>84</sup>

As with the NHS internal market, the basic idea behind Producer Choice was to reorganise the BBC into financially autonomous units which could 'buy' or 'sell' services, creating a system of trading at the BBC which would make its finances directly comparable with the private sector. Starks succinctly summarised the Producer Choice initiative as follows:

From April 1993 BBC programme makers in the domestic television and radio services will be able to choose whether to use the BBC's internal production resources – studio,

camera crews, design, scenery, graphics etc – or whether to buy the equivalent services from the external market. The funding will go to the programme makers. BBC production resources will need to earn their funding by attracting programme making business. Their services will be priced, their prices must reflect their full costs including the costs of overheads, accommodation and capital; and they will be expected to break-even financially over the course of the financial year.<sup>85</sup>

The BBC was to be split into separate ‘units’, of which some would be involved in producing programmes, whilst others would sell programme-making resources. The latter were termed ‘Resource Business Units’ and the former ‘Production Business Units’. The idea of setting up these distinct trading units seems to have originated with Coopers and Lybrand Deloitte during the course of the Television Resources Review. The firm explained the concepts in a document entitled, ‘Criteria for Establishing Resource Business Units’:

At its simplest, a Resource Business Unit is the lowest level at which a breakeven target can be set realistically. This distinction is important, not only for the way the organisation is structured but also because it establishes the parameters for the coding and structure of the accounting system. A business unit provides a single, recognised programme making service or facility for which a buyer-supplier commercial relationship can sensibly be established between business unit and producer. ... The criteria for establishing Production Business Units are similar to those for Resource Business Units. Just as a Resource business unit is based on one product or service, so a Production business unit should be based on one type of programme. A Production business unit is the smallest group from which a Controller or, in the case of News and Current Affairs, an Editor, will commission programmes.<sup>86</sup>

Central to the system was the requirement that these separate units be financially autonomous and would ‘breakeven’, as was explained in one BBC document:

The crucial difference between how funds flow under Producer Choice and the BBC’s present way of working is that departments will no longer be directly funded but will need to breakeven. This means that individual managers have more to do than manage their spend within a budget – they now have to earn income to cover their costs.<sup>87</sup>

So under the new system, a BBC library, for example, would no longer lend items freely in response to requests from programme makers, but would instead be required to charge for loans in order to cover the cost of staffing, overheads and the acquisition of new materials. Significantly though, Resource Business Units would do so in competition with external providers, with whom they would compete on cost, whilst at the same time not being permitted to offer their services to outside providers, except to cover ‘spare marginal capacity’.<sup>88</sup>

The proposals closely followed Enthoven’s original proposals for an NHS ‘internal market model’. As with that proposal, financially autonomous units were to be given resources and capital allowances allowing them to trade with other units and, in the case of Production Business Units, with the private sector. The Producer Choice system was described by the Project Director Michael Starks and the private consultant Alan Hammill as ‘essentially’ ‘a form of competitive pressure on internal programme-making, resources, and overhead services.’<sup>89</sup> The following extract from an internal BBC document summarises the rationale behind the initiative:

The Producer Choice system draws a clear distinction between programme departments and production resources. They are separate units which will trade with one another. The benefits this should bring are:

- i) to identify clearly resource costs and expose them to competition from outside suppliers;
- ii) through competition to enhance efficiency and push down prices;



iii) to introduce a business like approach to the acquisition of plant and equipment, the justification for which is that resource businesses feel confident of selling it to programme-makers.<sup>90</sup>

It is notable that the first benefit above combines two separate elements – the identification of resource costs and their exposure ‘to competition from outside suppliers’ – which need not have been combined. Producer Choice could conceivably have been designed solely as an internal pricing system allowing the BBC to quantify costs and measure (in)efficiency. Instead, ‘Production Units’ were not only required to ‘break even’, they were also permitted, indeed encouraged, to purchase their services from external providers. This exposed the BBC for the first time to *cost based* competition with private companies. It was explained to staff in a document entitled ‘Producer Choice: Your Questions and Answers’ that: ‘What we are asking [staff] to recognise is that the BBC has to ensure that its resource operation can match the best outside – not merely in the quality of service offered but in price as well.’<sup>91</sup> On the specific question of contracting out services, that document included the following ‘Q&A’:

Reforms could have been made without allowing producers to ‘go outside’: doesn’t producer choice amount to throwing-out the baby with the bathwater?

The sharp business edge which Producer Choice will introduce into the relationship between producers and resource providers will encourage both to seek the most efficient and cost effective ways of making programmes. No other reforms offer quite the same incentive.<sup>92</sup>

Efficiency aside, there was another clear advantage to the Producer Choice system which featured less prominently in the leadership’s pronouncements: autonomous units capable of competing and trading with commercial entities are more easily convertible into private companies, and a ‘fully costed’ BBC was as a whole more amenable to privatisation. Indeed, a BBC document noted that there was ‘some distrust of perceived ulterior motives for Producer Choice... [among staff, including] the perception that it represents “creeping privatisation”; and that it is a stalking horse to turn the BBC simply into a commissioning house.’<sup>93</sup> Indeed, behind the scenes, the possibility of privatisation was being discussed by the Producer Choice Steering Group. A paper distributed only to Steering Group members noted the emphasis that had been placed ‘on the principle that Producer Choice is not about privatisation but about comparing the Value for Money of public service production resource facilities’. It stated, however, that it was necessary ‘to think through the stance we would take should the subject arise’.<sup>94</sup> It was proposed by the Steering Group that ‘the BBC should be willing to examine the possibility’ of Management Buy-Outs and possibly franchising, depending which was ‘the most effective and efficient way of achieving the BBC’s programme-making objectives when compared to other alternatives’.<sup>95</sup> The possibility of management buy-outs in particular was floated in the aforementioned Q&A document:

Will management buy-outs be considered?

Certainly. It is for local management to decide on the manner in which resources are provided: if an internal resource business unit cannot break even and its management’s response is to propose a management buy-out there is no reason why this should not be considered.<sup>96</sup>

Privatisation, though, was never central to the Producer Choice initiative. It remained predominantly a scheme for introducing a ‘business like approach’ into a publicly owned organisation, and integrating it into the market. Its realisation therefore required the construction of a vast new bureaucratic machinery. Producer Choice ‘Implementation Groups’ were established to cover Television, the Regions, Network Radio, News and Current Affairs, Central Directorates Education and Finance, each, with the exception of the Finance Group, staffed with a consultant from Coopers and Lybrand.<sup>97</sup> New budgeting and planning systems were developed, along with new ‘commercial ground rules’ for contractual bidding and pricing processes. The architects of Producer Choice sought to quantify the value of everything within the Corporation, animal or mineral; since in order for the system to work on ‘a fully costed basis’, it was necessary not just to develop a price system for internal trading but, as

Starks noted, to 'charge both production resource departments and programme makers for their overheads, accommodation and capital.'<sup>98</sup> Asset registers were examined for the allocation of capital and the Producer Choice Steering Group created a Property Group headed by an externally recruited property professionals.<sup>99</sup> All BBC real estate had to be identified and valued at market rate so as to establish the costs to be borne by Business Units with which it was to be matched. This, Starks explained, would allow the new system to 'charge all users a rent for the space they occupy,' rent which would be 'a function of the volume of space and the market value of the property concerned'.<sup>100</sup>

This vast audit of the 'BBC machine', as Birt later referred to it, inevitably doubled up as a cost-cutting exercise. In addition to conducting 'resources reviews', Implementation Groups were tasked with conducting 'overheads reviews' which would not only identify which pieces of BBC property would be integrated into the trading system, but would also identify excess property for the 'capacity reductions' that were scheduled from February 1992. Property deemed to be surplus to average production requirements was disposed of (top of the list for property disposals were the Lime Grove Studios, already vacated and awaiting sale).<sup>101</sup> Along with the 'overhead reductions studies', BBC Directorates were also tasked with conducting what was originally referred to as 'labour productivity studies'.<sup>102</sup> These reviews were later referred to as a 'best practice study' since, as Michael Starks explained, 'productivity study' was 'an unpopular term in some quarters'.<sup>103</sup>

The intention behind the Corporate wide 'productivity study' or 'best practice study' was purportedly to make the BBC an 'industry leader' in 'efficient production', meaning the lowest staff numbers per hour of broadcasting. Like the other 'reforms' from this period, the 'Best Industry Practice Study' was implemented by the BBC management in close cooperation with private consultants. In a confidential 'Productivity Report', it was noted that though consulting with line management would be an important part of the study, it would be 'unlikely to produce the full level of productivity savings by itself' since 'BBC resource managers have been implementing productivity improvements for some time and are unlikely to offer new and radical suggestions'. For this reason it was agreed that the productivity study would be put out to tender in November 1991, following informal discussions with management.<sup>104</sup> The consulting firms invited to tender were McKinseys, which had advised on the BBC's management overhaul in the 1960s, and five other firms, all of which had also been invited to tender for Birt's Television Resources Review. They were Price Waterhouse, which was responsible for the licence fee review, Coopers and Lybrand Deloitte, the firm most involved in developing Producer Choice, Peat Marwick McLintock (known as KPMG outside the UK), which had conducted a Pay and Grading Study for the BBC, as well as Ernst and Young and PA Consulting.<sup>105</sup> The BBC wrote to these firms on 20 September 1991, advising them that 'the BBC will be introducing an internal market into the provision of production resources' and that it 'believe[d] external consultancy support would be extremely valuable in our assessment of what productivity improvements can be achieved'.<sup>106</sup> In May 1992 the BBC confirmed to Coopers and Lybrand that it would like them to act as consultants on what was by then being called the Best Industry Practice Study.<sup>107</sup> The study, a BBC document noted, was 'met by some initial managerial resistance'.<sup>108</sup> The Assistant Controller Regional Broadcasting (Finance and Resources), Dick Bates, wrote to John Birt noting that there 'was general concern at the launching of yet another undertaking' and asking if he would support 'a low-profile approach'.<sup>109</sup> This suggestion was rejected by Birt who wrote that 'the need publicly to demonstrate efficiency in general and a coherent approach to productivity in particular is a vital part of the Charter Review process. What is the fear? What lies behind the wish to keep a low profile?'<sup>110</sup>

As this response from Birt suggests, publicising the impact of the reforms was a central element of the Producer Choice initiative. Indeed, it was implemented in an extremely narrow timeframe in response to pressure from the Conservative government. As Birt later recalled:

We were advised by Coopers and Lybrand that in an organisation of around thirty thousand people the task was mammoth, that we should take thirty months over it. The political imperative dictated that we had only eighteen months. It was clear to Hussey, Patricia [Hodgson], Howell [James] and myself that we had to introduce Producer Choice in April 1993 – at the beginning of the BBC's financial and budgetary year – if

we were to affect the Charter Review process with firm evidence, and not just a promise, that the BBC was really and truly on the path to efficiency, to offering the licence-payer value for money.<sup>111</sup>

Howell James, who Birt mentions here, was at this time the BBC's Director of Corporate Affairs and was in charge of convincing politicians and other elites of the benefits of Birt's reforms. A 'trusted advisor' to Duke Hussey<sup>112</sup> and one of Birt's two 'soulmates at work',<sup>113</sup> James had been Head of Press and Publicity at TVam (originally headed by Peter Jay) before being appointed an adviser to the Secretary of State for Trade and Industry, David Young (the aforementioned brother of BBC Chairman Stuart Young). The latter appointment had been made on the recommendation of Thatcher's PR advisor Tim Bell, later retained by the BBC as a PR consultant.<sup>114</sup> Bell's patronage also landed James his job at the BBC. He was recommended to Hussey by Arthur Brittenden, a former Director of Corporate Relations at News International who had since joined Bell's PR firm, Bell Pottinger.<sup>115</sup> During the development of Producer Choice, James oversaw a 'Producer Choice External Communication Strategy' to, among other things, 'demonstrate transparent cost-effectiveness' and show the BBC's 'determination to "get fit" before the wide-ranging public debate on its future beyond Charter Renewal'. A press strategy was devised targeting 'broadsheet business and media pages' and 'selected influential specialist publications'. The BBC also arranged VIP seminars to address 'the usual opinion forming groups e.g. Institute of Directors and interested bodies like IVCA [International Visual Communications Association]'.<sup>116</sup> Birt knew he had the support of the Conservatives for his reforms and he maintained a particularly close relationship with the National Heritage Secretary, David Mellor, who he met regularly for dinner at a gourmet seafood restaurant in London and with whom he 'was able to forge a sense of common purpose'.<sup>117</sup> To ensure his planned changes would also enjoy cross-party support Birt brought in his old friend Peter Mandelson as a consultant (like Dyke another member of what Birt called 'the LWT mafia'). Mandelson, a key figure in the Labour Party's embrace of neoliberalism, agreed that the party would give Birt its support.<sup>118</sup>

### **The 'culture change programme'**

The period up to the launch of Producer Choice on 1 April 1993 was used not just to put the requisite bureaucratic systems in place, but also to enculturate BBC staff into the new system. The leadership advised staff that:

92/93 is essentially a 'get ready' period. Production and resource business units need time to organise themselves to assess the level and nature of the business support they require, to develop their business plans, to establish marketing policies and calculate rate cards. New management information systems will be 'run-in', and business unit managers will be trained in the new market mechanism.<sup>119</sup>

Seminars and training sessions were designed 'to accustom BBC buyers and BBC sellers to the new relationship they will need to have with one another,' a relationship which Starks noted would shape 'the future ethos of the organisation'.<sup>120</sup> Birt refers in his autobiography to 'an immense programme of training and mentoring'.<sup>121</sup> Starks was tasked with developing an 'inventory of training needs' from December 1991 and designing a 'culture change programme' to run from April 1992.<sup>122</sup> Shortly after announcing Producer Choice, the BBC management noted in a document entitled, 'The Shape and Size of the Training Need':

Everyone in the new market system will need some training but the amalgamation and prioritisation of need can only be done when the detailed diagnosis has taken place. To help kick-start the process, Professor Tony Eccles of the London Business School will run two one-day workshops in early December entitled 'Living in the Market' using live case material from a well known and successful independent production company.<sup>123</sup>

After a joint team of BBC managers and Coopers and Lybrand Deloitte consultants conducted a 'Training Needs Analysis', it was decided that there was a need first of all to 'build understanding of, and commitment to, the changes implicit in Producer Choice' and more ambitiously to 'support and equip senior managers to become "Champions" of Producer Choice'. The second phase would then involve assessments and evaluation so as to 'cascade the first phase of training to the wider staff

population as appropriate'.<sup>124</sup> In order to 'change behaviour and attitudes' in 'the regions', a 'Producer Choice roadshow' was proposed 'which, supported by Coopers and Lybrand Deloitte and taking its cue from the Directorate's Implementation Group, will provide a platform for a direct exchange of information and views with all those who are going to be affected.' Regional training was arranged which, the management hoped, would meet the 'training needs' of 'business planning' 'financial awareness' 'business acumen' and 'managing a culture change'.<sup>125</sup>

In the run up to the launch of Producer Choice some 1,800 BBC staff participated in one and two day training courses,<sup>126</sup> which though a fairly substantial figures represented only 6% of the total staff. As this figure and the references to creating 'Producer Choice Champions' suggests, the system's successful implementation was thought to turn on the ability to win over key figures in the Corporation's middle management, who would then ensure compliance amongst the 'wider staff population'. Thus though the new system was couched in the rhetoric of freedom and devolution, its implementation was realised through the existing system of managerial power. As one review of the Producer Choice project stated: 'For changes of such a magnitude to be introduced successfully, it was well understood that the line management of the organization needed to own both the process of change and the resulting management systems.'<sup>127</sup> One early memo from Michael Starks is particularly revealing of the strategic approach taken:

In the end the success of the system will depend largely on the key people who will operate it. We need to identify who they are and ensure that they have the right managerial support as well as the right training and can help shape their own operations. This means working through how many Profit Centres we want and who will be in charge of each, sufficiently early to allow them to knock their operations into shape (and negotiate any changes in manning, working practices etc) well in advance of D-day.<sup>128</sup>

Identifying compliant managers was an early priority for the project. Before Producer Choice was even announced to BBC staff, Implementation Groups for each BBC Directorate were given a month to identify heads for every proposed business unit.<sup>129</sup> Managerial support – or compliance – was to be encouraged through a system of rewards and incentives which, it was hoped, would shape individual behaviour, just as the quasi-market incentives would shape the structure and practices of 'business units' as a whole. As the BBC leadership explained to staff: 'The incentive for a business unit is that it maintains its place in the market. For managers the introduction of performance-related pay will provide the basis for rewards and incentives.'<sup>130</sup> The Producer Choice Steering Group was made responsible for developing a 'philosophy and structure' for 'rewards and incentives' during October 1991<sup>131</sup> and recommended that, 'Existing systems of salary administration and bonus awards for monthly staff on both grade related salary scales and Special Personal Salaries should be used to deliver rewards and incentives under Producer Choice'. This included 'lump sum unconsolidated bonuses to recognise the achievement of defined targets' as well as 'salary adjustments to reflect the degree of success with which the overall role is being undertaken'.<sup>132</sup> Following these recommendations, a system of 'financial rewards for individual and team performances' was developed which was 'handled through base salary and incentive reviews'.<sup>133</sup>

### **The roots of Birtism: from Public Choice to Producer Choice**

As has already been noted, the managerial initiatives imposed by Birt were not an isolated phenomenon, but were part of a broader shift in management theory and practice in Britain and elsewhere. Birtist managerialism was just one manifestation of a 'global reform movement in public management' which, Kettl approvingly notes, 'sought to replace traditional rule-based, authority-driven processes with market-based, competition-driven tactics.' Politically, Birt's reforms were in keeping with the agenda of market-orientated public sector reform that, Gamble notes, characterised late Thatcherism:

Having got the economy right, as they believed, and having won a third successive popular endorsement, the Thatcherites saw the reconstruction of the public services as a key task in refashioning the British state and British civil society... [using] devices such as internal markets, contracting out, tendering and financial incentives...<sup>134</sup>

Birt acknowledges that his reforms were seen as part of ‘the developing management culture that Mrs Thatcher’s revolution had encouraged’ but seeks to distance them from the politics of Thatcherism:

Britain was just catching up on a set of ideas – management science – that had emerged since the war, chiefly from the US business schools. Britain’s failure to apply these notions in earlier decades was one factor behind our relative economic decline.<sup>135</sup>

Leaving aside the claim of technocratic, ideological neutrality here, the fact is that the BBC had led the way in applying US-style ‘management science’ in the late 1960s when its leadership instituted the unpopular organisational restructuring devised by the global management consultancy firm McKinsey and Co. According to Burns, these ‘profound’ reforms were similar to those that had been introduced at large business corporations and were intended ‘to overhaul the system of financial control so as to cope with the recurrent threat of financial crisis’.<sup>136</sup> Like the Birt era reforms, they entailed a strengthening of managerial authority combined with internal competition<sup>137</sup> and represented an importation of the ‘management science’ which then dominated the corporate sector. By the time Producer Choice was being conceived however, the prevailing managerial ethos had shifted towards a belief that greater cost effectiveness could be achieved through the introduction of market and quasi-market pressures and other structured incentives.<sup>138</sup> This new approach to the administration of public sector organisations, which took hold initially in Britain, North America, Australia and New Zealand during the 1980s, was influentially dubbed the New Public Management by Christopher Hood in 1991.<sup>139</sup> Though still drawing on more traditional theories of management and administration, the New Public Management (NPM) was sceptical of the existing ethos and practices of the public sector, which was taken to be wasteful and inefficient. Batley and Larbi follow Hood in their definition of NPM as

a set of particular management approaches and techniques, borrowed mainly from the private for-profit sector and applied in the public sector... sometimes perceived as an ideology based on the belief in the efficacy of markets and competition, and in business-like management ideas and practices.<sup>140</sup>

NPM reforms, as we have seen in the case of Birtism, were justified by appeals to efficiency and accountability and promised to ‘enhance the responsiveness of public agencies to their clients and customers; to reduce public expenditure; and to improve managerial accountability’.<sup>141</sup> They took on many forms in many places but, Kettl notes, behind

all these tactics is a basic strategy: Replace traditional bureaucratic command-and-control mechanisms with market strategies, and then rely on these strategies to change the behavior of program managers.<sup>142</sup>

Why did this shift in the management of public sector organisations take place when and where it did and from where did the ideas that underpin NPM reforms originate? A surprising number of scholarly accounts of NPM are somewhat vague as to its political and intellectual origins. Pollitt and Bouckaert’s *Public Management Reform*, for example, which has appeared in three editions, focuses exclusively on the implementation of NPM reforms and provides no account of their intellectual underpinnings.<sup>143</sup> Barzelay, in the introduction to his extensive review of the literature on NPM, notes that in the 1970s ‘economies suffered stagflation and public perceptions of bureaucracy became more negative’, and also refers briefly to the premierships of Margaret Thatcher and John Major, but otherwise offers little by the way of context.<sup>144</sup> Kettl, a proponent of NPM (though he does not use the term), points to the significance of globalisation and ‘economic stagnation’, but places the explanatory emphasis largely on electoral politics (‘citizens everywhere have demanded a rollback in their taxes’). Ultimately, he reaches the rather peculiar conclusion that the NPM ‘reform movement’ that ‘spread like wildfire’ ‘root[ing] out the pathologies of government bureaucracy’ was ‘part of a fundamental debate about governance’.<sup>145</sup>

Such scant attention, or superficial interrogation, of the intellectual origins of NPM is in part due to the fact that much of the literature is either technocratic – and therefore more interested in practice rather than theory – or has been written by exponents of public sector reform who have an interest in portraying NPM as practical, apolitical and non-ideological. Mannheim writes that the ‘fundamental

tendency of all bureaucratic thought is to turn all problems of politics into problems of administration.<sup>146</sup> This is certainly a characteristic of much scholarly work on public administration and is a failing that hampers some ostensibly critical work. In *Questioning the New Public Management*, for example, Dent and Barry note that NPM is related to the ‘preference for (quasi-) markets’ and ‘the politics of “Thatcherism” in the 1980s’. But after observing that ‘many forces appear to have been in play... rendering easy answers problematic,’ they turn to a hopelessly vague rendering of Foucault’s concept of governmentality in an attempt to unravel ‘the relationships between the professions and NPM’.<sup>147</sup> Reviewing that collection, Haque notes a similar inattention to NPM’s political and intellectual origins in another contemporary account.<sup>148</sup>

Such shortcomings notwithstanding, there is a fairly substantial body of work which acknowledges the intellectual and political roots of NPM in rational choice theory and the neoliberal movement. Dibben, Wood and Roper, for example, begin their collection by pointedly identifying its origins in the ascendancy of neoliberal hegemony following the breakdown of the post-war consensus in the 1970s;<sup>149</sup> whilst Axel van den Berg in the same collection details NPM’s particular debt to public choice theory.<sup>150</sup> Public choice, according to one early exponent,

can be defined as the economic study of nonmarket decision-making, or, simply the application of economics to political science. The basic behavioural postulate of public choice, as for economics, is that man is an egoistic, rational, utility maximizer.<sup>151</sup>

Public choice emerged from the Thomas Jefferson Center at the University of Virginia in the United States, and particularly from the work of James Buchanan and Gordon Tullock, founders of the interdisciplinary Public Choice Society. Crucially for our purposes, public choice theorists rejected any notion of the ‘public good’ or the ‘public interest’, which were of course crucial to the theory and practice of public service broadcasting at the BBC. According to Buchanan, public choice theorists held to a ‘hard core’ of ‘three presuppositions: (1) methodological individualism, (2) rational choice, and (3) politics-as-exchange’.<sup>152</sup>

Gruening takes issue with the ‘conventional wisdom’ that NPM is a blend of public choice theory and managerialism, arguing that NPM ‘can be traced to a variety of theoretical perspectives’, among them public choice theory, traditional management theory, classical and neoclassical public administration, principal agent theory, property rights theory, the neo-Austrian school and transaction-cost economics.<sup>153</sup> Gruening’s critique is perhaps aimed at Aucoin’s widely cited article, in which he identifies public choice and managerialism as the ‘two major set of ideas’ that influenced the ‘administrative reform movement in public management’.<sup>154</sup> Though Gruening’s article is a useful corrective to less thorough accounts of NPM’s theoretical antecedents and influences, most scholarly accounts detailing the intellectual origins of NPM do in fact acknowledge this broader heritage. Hood’s seminal article, for example, attributes NPM to the influence of ‘new institutional economics’, including ‘public choice, transaction cost theory and principal-agency theory’;<sup>155</sup> and more recently Batley and Larbi, whilst arguing that public choice theory is one of the strongest influences on NPM, also note its ‘theoretical underpinnings and justification’ in, and by, new institutionalism, principal-agent theory, transaction cost economics and property rights theory.<sup>156</sup> Similarly, Boston argues that despite NPM’s ‘disparate intellectual origins’, the ‘main sources of NPM ideas are easy enough to identify.’ They include, he suggests, the managerialist tradition of administrative theory, new institutional economics, the public choice tradition, as well as ‘a broad ideological movement known as neo-liberalism’.<sup>157</sup> As should be clear from even this brief outline, the market orientated public reforms of the 1980s and ‘90s, of which Birtism was one variety, drew on a wide variety of schools of thought within the social sciences. This apparent heterodoxy, however, disguises a deeper resemblance and interrelationship between these various schools, which can be better appreciated if they, and their seminal figures, are socially and historically situated.

### **Rationalising politics: the influence of the RAND Corporation**

It is at first glance a curious fact, and one very rarely acknowledged in the literature, that in the intellectual pre-history of NPM, the institution that most looms large is the quintessential cold war think-tank, the RAND Corporation. In his aforementioned seminal article on NPM, Hood specifically notes the influence of both Kenneth Arrow and William Niskanen on NPM;<sup>158</sup> both of whom like

James Buchanan and Alain Enthoven (the man behind the NHS internal market) worked as analysts at the RAND Corporation.

RAND is a product, even a symbol, of the US warfare state's integration of industrialists, scientists and technocrats. It originally emerged from the wartime collaboration between the US Air Force and the Douglas Aircraft Company and became an independent think-tank in 1948. RAND initially focused on developing new military hardware, but it was far more successful in its development of mathematical models for nuclear confrontation. The work of the accomplished mathematicians and economists retained by RAND though would have an impact far beyond the world of nuclear strategy and dubious doctrines like 'mutually assured destruction' and the 'winnable' nuclear confrontation. Through their work on game theory and systems analysis, the RAND cold warriors pioneered a new approach to social science and policy making that purported to be objective and scientific, and which, as S.M. Amadae argues in her impressive intellectual history, *Rationalizing Capitalist Democracy: The Cold War Origins of Rational Choice Liberalism*, was instrumental in 'rationalising' politics and universalising the intellectual underpinnings of global capitalism.

Whilst rational choice theory is usually assumed to be an outgrowth of neo-classical economics, Amadae shows that its methodological tools were largely developed by 'defence rationalists' at RAND. She details how the emphasis these intellectuals placed on individualistic calculative rationality and objective scientific inquiry (in explicit opposition to socialist ideas) came to displace earlier notions of democracy and scientific inquiry as deliberative, normative, practices. Following Alchon,<sup>159</sup> Amadae argues that RAND, and the rational choice tradition it fostered, was part of an elite response to the universal franchise; an attempt 'to relocate the authority for policy decisions from elected officials to a supposedly "objective" technocratic elite', thereby neutralising 'the unruly potential of mass democratic politics.'<sup>160</sup>

Crucial to this was a proof developed by the mathematical economist Kenneth Arrow, known as the impossibility theorem. During a summer spent at RAND, Arrow was approached by the logician Olaf Helmer who asked him to research the application of game theory to international relations.<sup>161</sup> Arrow was specifically tasked with developing a 'utility function' for the Soviet Union<sup>162</sup> – in other words a quantum which could form the basis of a mathematical model to scientifically predict the actions of America's cold war adversary. Grappling with the key debates in welfare economics (a branch of neoclassical economics which dealt with normative questions of optimum distribution), Arrow eventually formulated a proof which demonstrated that it was impossible to arrive at a collectively rational outcome on the basis of three or more people selecting from three or more ranked preferences. The proof was popularised in Arrow's 1951 book *Social Choice and Individual Values*, and cast doubt on the notion that a rational and just social outcome could be reached that was compatible with the preferences of the individuals concerned. The proof undermined huge swathes of political thought, most importantly the collectivist political philosophies that so perturbed the elites of US-led global capitalism. The peculiar fact about Arrow's proof though is that it undermined the legitimacy of liberal democracy as much as its rivals. For according to Arrow's theorem, neither the marketplace nor the ballot box was capable of translating individual preferences into rational and equitable social policy. This inconvenient truth, however, was largely overlooked, whilst the philosophical assumptions that informed Arrow's reasoning, and were embedded in his method – that society is a composite of isolated individuals with ordered transitive preferences as opposed to a social collective capable of rational deliberation – proved to be hugely influential, giving birth to a whole field of scholarly enterprise known as social choice.

### **The rise of public choice**

Arrow's *Social Choice and Individual Values* was one of a handful of classic texts which sowed 'the seeds of a public choice perspective'.<sup>163</sup> Other key texts included Duncan Black's *The Theory of Committees and Elections*, Anthony Downs's *An Economic Theory of Democracy* and Mancur Olson's *The Logic of Collective Action* (of whom only Black had no association with the RAND Corporation). Drawing on these rational choice studies of politics, the fathers of public choice, Buchanan and Tullock, in their seminal 1962 work *The Calculus of Consent*, offered a strategic analysis of constitutional government. They took the notion of individual rational self-interest for

granted and, drawing on game theory, used it as the starting point for deductive models of political action. Whilst social choice theorists attempted to circumvent Arrow's impossibility theorem and develop a viable model of democratic politics, Buchanan and Tullock used Arrow's proof as the basis for a new approach. They rejected the notion that 'the public' could ever serve as a meaningful concept in political analysis and developed an even narrower conception of rationality than the social choice theorists, not allowing for the possibility that individuals might be motivated by social considerations.<sup>164</sup>

Like other branches of rational choice theory, public choice held itself up as an objective and scientific enterprise. But as fellow rational choice theorist Mancur Olson noted, the methodological innovations of the public choice school were born out of 'ideological passion' and 'ardent, and often extreme, political views'.<sup>165</sup> Writing in 1971, Olson astutely identified two schools of discontent in contemporary economics. One was the 'radical economists', 'an outgrowth of the new left' which though it had not been taken seriously by established economists, had fascinated graduate students. The other more formidable group was the Virginia School of public choice, and the Chicago School of economics from which it emerged. In Olson's estimation those associated with these schools enjoyed too much 'respectability and even eminence' to be considered dissenters, but were 'profoundly discontented about the direction in which modern society has been moving and with the economic thinking that has facilitated this movement.' Buchanan and his followers, Olson noted, were 'prototypical' of the eminent dissenters and shared with Milton Friedman an 'enthusiasm for laissez faire libertarianism, the same susceptibility to politicians like [Barry] Goldwater, and the same dislike of Keynesian economics and the welfare state.'<sup>166</sup>

James Buchanan was a long standing critic of Keynesian inspired embedded liberalism, but the public choice he co-founded became all the more politically engaged in response to the rise of the New Left. A right-wing neoliberal, Buchanan saw the cultural changes of the '60s and '70s ('a generalized erosion in public and private manners, increasingly liberalized attitudes toward sexual activities, a declining vitality of the Puritan work ethic') as 'behaviour patterns' fostered in part by Keynesian inspired policies.<sup>167</sup> With the outbreak of student radicalism at American universities, Buchanan and his allies found themselves entangled in a bitter and bruising battle on campus. He later recalled that at the University of Virginia, 'socialist inspired enemies were dedicated to driving us, "the fascists," from the academy.' It was, Buchanan wrote, 'a struggle so intense that those of you who did not live through the period cannot possibly appreciate what went on'.<sup>168</sup> In retrospect, Buchanan considered *The Calculus of Consent* 'too smug, too cozy, too optimistic' a text:

That book was written before Kennedy purchased the presidency, before Viet Nam, before the Great Society overextended any plausible limits for political efficacy. The 1960s happened. There seemed to be no foundational stability underneath our institutions of order. Things seemed to be falling apart. And our own safe havens in academia seemed to be leading the plunge toward anarchy...<sup>169</sup>

After the University of Virginia refused Tullock tenure in 1967, Buchanan resigned in protest and the pair relocated to Virginia Tech where they established the Center for the Study of Public Choice and developed a highly successful research programme. Thanks to their politics, their project received ample private funding to support visiting scholars, attract graduate students and disseminate their research.<sup>170</sup> The intellectual atmosphere at their Public Choice Center was lively and collegiate. 'Chance meetings at the coffee urn, in the locker room, or in the cafeteria all become occasions for lively discussion,' and there was an 'enthusiasm and excitement for new ideas'.<sup>171</sup> Buchanan and Tullock's industriousness was key to the success of the school they founded. Dennis Mueller, a former president of the Public Choice Society, writes:

One can, with justification, question whether public choice would have emerged as a separate, well-defined field within economics and political science had Buchanan and Tullock not fathered the field they helped spawn with the degree of paternalistic care with which they did.<sup>172</sup>



Buchanan's work ethic served as a particular inspiration. He laboured twelve hour days, six days a week, fostering a 'total understanding that there should be commitment to scholarly enterprise'.<sup>173</sup> But he was encouraging as well as demanding:

Buchanan had a delightful and wonderfully supportive characteristic of breaking in to say, 'Now that's interesting. Really interesting!' And the maker of said 'interesting point' would quietly glow, and think how he might be even more 'interesting' next time.<sup>174</sup>

Playing the good housewife to Buchanan's Presbyterian patriarch was his secretary Betty Tillman ('Mamma Betty') who in addition to handling all the administration and logistics, housed visitors, entertained spouses and showered 'Center folk' with her 'prodigious affection'.<sup>175</sup>

From their safe haven in Blacksburg, Virginia, Buchanan, Tullock and their fellow travellers assaulted the intellectual underpinnings of the 'embedded liberalism' that had taken hold in the post-war period, rejecting any notions of the 'public good' and the possibility that politicians and public officials, if permitted, would act in accordance with anything other than their own selfish ends – or in rational choice terms their rational self-interest.

One of their early and most formidable recruits was William Niskanen, a former RAND analyst who would later become a member of Ronald Reagan's Council of Economic Advisers. Having spent a period implementing RAND-style reforms at the Department of Defence as part of Alain Enthoven's Office of Systems Analysis, Niskanen was appointed director of the economics division of the Institute for Defense Analysis, to which he recruited Gordon Tullock in 1966. Under the influence of Tullock and other 'fine scholars on his staff', Niskanen 'start[ed] thinking about applying formal economic analysis to the structure and processes of government.' In 1968, Tullock encouraged him to draft an article detailing his 'developing views about bureaucracy',<sup>176</sup> and this eventually led to him writing his influential book *Bureaucracy and Representative Government*, first published in 1971.<sup>177</sup> In the foreword, Niskanen records his 'great debt' to Tullock, noting that during the latter's time at the Institute for Defense Analysis 'it was difficult to sort out my ideas from [his]'.<sup>178</sup> Whilst most public choice theorists modelled the affect of voter preferences and rent seeking behaviour on politics, Niskanen took a lead from Tullock's *The Politics of Bureaucracy*, and focused on the interests and behaviour of public officials. Niskanen described bureaucrats and the politicians they served as a 'bilateral monopoly', with the former operating as the sole supplier of services bought by the latter. Niskanen's central claim was that the particular features of this bilateral monopoly would tend towards a structural oversupply of goods and services. Rational public officials, he argued, would seek to maximise their budgets as a means of securing benefits, status recognition and so on. Meanwhile politicians were little able to challenge this tendency, since civil servants had far better access to, and control over, information on their own performance. Along with Tullock's work on rent seeking, Niskanen's critique of bureaucracy would prove highly influential as 'the cumulative record of nonperformance in the implementation of extended collectivist schemes... came to be recognized widely, commencing in the 1960s and accelerating in the 1970s'. This, Buchanan notes, was fertile ground for public choice ideas:

Armed with nothing more than the rudimentary insights from public choice, persons could understand why, once established, bureaucracies tend to grow apparently without limit and without connection to initially promised functions.<sup>179</sup>

What was to be done? As Dennis C. Mueller has noted, one of the strengths of the public choice school was that it 'always combined the analysis of political failure with the potential of political institutions' and 'constitutional constraints that might channel man's selfish interests'.<sup>180</sup> As Olssen has noted

Public Choice theory suggests redesigning public institutions to make them reflect more accurately the preferences of individuals. This involves counteracting the possible forms of 'capture' which serve to deflect the interests of public officials from the public's real needs. To do this, Public Choice theory advocates a variety of quasi-market strategies, such as contracting out services to the private sector, increasing competition between

units within the public sector, placing all potential conflicting responsibilities into separate institutions, separating the commercial and non-commercial functions of the state, separating the advisory, regulatory and delivery functions into different agencies, as well as introducing an assortment of accountability and monitoring techniques and strategies aimed to overcome all possible sources of corruption and bias, particularly those arising from the pursuit of self-interest.<sup>181</sup>

In *Bureaucracy and Representative Government*, for example, Niskanen advocated, amongst other things, the introduction of internal and external competition to public bodies, as well as greater political monitoring and performance evaluation.<sup>182</sup> His diagnosis and cure, though strongly contested by other scholars, was to have a significant impact on the development of New Public Management.<sup>183</sup>

### **The broader neoliberal movement**

Tullock and Niskanen's critiques of bureaucracy were inspired by Ludwig von Mises's classic 1944 polemic of that name. Mises, an Austrian School economist, was a passionate anti-communist and unabashed elitist who regarded 'the masses' as 'inferior'<sup>184</sup> and in 1927 wrote approvingly of Italian fascism, which he considered had 'saved European civilization'.<sup>185</sup> Along with Karl Popper and fellow Austrian School economist Friedrich Hayek, Mises was a key member of a group of conservative intellectuals who sought to defend the 'free society' from communism and – in the cases of Hayek and Mises at least – post-war social democracy. They were among the 39 founder members of the neoliberal Mont Pelerin Society. Also among the Society's founder members were Frank Knight and his students George Stigler and Milton Friedman; all leading figures in the Chicago School of economics, which would later become *the* major hub of what Mirowski, Plehwe and their collaborators term the 'neoliberal thought collective'.<sup>186</sup>

Though neoliberalism has received copious scholarly attention, the role of the public choice school within it has often been overlooked; indeed public choice is often not understood to be part of the neoliberal movement.<sup>187</sup> Yet the founding fathers of public choice, Buchanan and Tullock, 'were deeply involved in the transatlantic neoliberal network'.<sup>188</sup> Both were influential members of the Mont Pelerin Society and Buchanan served as its President from 1984 to 1986. Like Niskanen, Buchanan studied his PhD at the University of Chicago under Milton Friedman, who described him in a glowing letter of recommendation in 1951 as 'one of the ablest students we have had at Chicago since I have been here'.<sup>189</sup> Buchanan subsequently co-founded the Thomas Jefferson Center (from which the public choice school emerged) with G. Warren Nutter, another alumnus of the University of Chicago and the Knight/Friedman school of economics.

Buchanan, Tullock, Niskanen and their allies were thus not alone in their political and intellectual assault on the welfare state, but were one faction of a widely dispersed but interconnected network of academics, journalists, politicians, think-tankers and policy entrepreneurs. Through this broader neoliberal network, public choice theory was disseminated internationally. In the UK it had a strong influence on the New Right,<sup>190</sup> particularly via the Institute of Economic Affairs and the Adam Smith Institute, both of which helped reshape broadcasting policy in the Thatcher era.<sup>191</sup>

From the 1960s, the 'second-hand dealers in ideas' at the IEA developed a close relationship with Buchanan and Tullock. During his time in London in 1965, Buchanan regularly visited and lunched at the IEA,<sup>192</sup> and that year he authored a pamphlet for the Institute entitled, *The Inconsistencies of the National Health Service*.<sup>193</sup> He was subsequently appointed as an advisor<sup>194</sup> and also became involved in IEA's journal.<sup>195</sup> Tullock also visited the IEA during his regular trips to London in the 1970s<sup>196</sup> and in 1976 it published his Hobart Paper, *The Vote Motive*. Earlier, in 1973, it published a pamphlet by Niskanen entitled, *Bureaucracy: Servant or Master?*, which the father of Thatcherism, Keith Joseph, would assign as required reading for senior civil servants at the Department of Industry.<sup>197</sup> These publications were followed in 1978 by an IEA edited collection, *The Economics of Politics*, based on a two day conference attended by Buchanan and other public choice economists.<sup>198</sup> The Adam Smith Institute (ASI), established in 1977 with the support of IEA founder Antony Fisher, was strongly influenced by Buchanan, Tullock and Niskanen. Modelled on the US Heritage Foundation, which sought to 'operationalise' public choice ideas, the ASI was founded to not merely popularise neoliberal ideas, as the IEA had done, but to develop actionable political strategies for their

realisation.<sup>199</sup> Drawing on the work of public choice theorists, the ASI developed ‘free market strategies’ that ‘flowed with political reality by building in the support of the interest groups which might otherwise derail them’.<sup>200</sup>

As Thompson has detailed, through such channels, public choice theory exerted a strong influence on politicians, journalists and academics in the UK. Indeed, Thatcher’s own perspective on broadcasting in particular was clearly influenced by public choice. In her autobiography, she refers to broadcasting as ‘one of a number of areas... in which special pleading by powerful interest groups was disguised as high-minded commitment to some greater good.’<sup>201</sup> One notable scholar who ‘responded positively to public choice ideas’, according to Thompson, was Alan Peacock.<sup>202</sup> Peacock, who was affiliated with the IEA, was something of a pioneer in the application of public choice theory to art and cultural policy. He was later appointed to head the Committee on Financing the BBC by the Thatcher government, and set the agenda for the ‘emergence of a complex mixed economy in broadcasting’, of which Producer Choice was a part.<sup>203</sup> Peacock was also strongly influenced by Ronald Coase, the founder of new institutional economics who was one of the first economists to advance a neoliberal model of broadcasting.<sup>204</sup> Coase was based at the University of Virginia with Buchanan, and influenced by Frank Knight, and like his tutor Arnold Plant was a Mont Pelerin Society member.

### Disciplining democracy

At this point it is worth returning to the question of the intellectual origins of the New Public Management. Recall that Gruening contests the claim that NPM ideas are merely a blend of public choice theory and managerialism, arguing that NPM ‘can be traced to a variety of theoretical perspectives’, including principal agent theory, property rights theory, the neo-Austrian school and transaction-cost economics.<sup>205</sup> In light of the intellectual and political history outlined above, we can now identify the close connection between these various schools of thought. What Gruening terms the neo-Austrian school is of course a cornerstone of neoliberal thought. But new institutional economics, or rational choice institutionalism, which ‘encompasses transaction-cost theory, principle-agent theory, [and] game theory’,<sup>206</sup> stems from the work of Mont Pelerin Society member Ronald Coase, whilst principal-agency theory, which is also closely related to these other schools of thought, influenced Niskanen’s *Bureaucracy and Representative Government*, which in turn revived academic interest in the principal-agent problem.<sup>207</sup> What we find, then, if the ideational influences on NPM are historically and socially situated, is that behind the ‘global reform movement in public management’ were a fairly sophisticated set of ideas and theoretical models which though presented as objective and scientific, and institutionalised in various academic sub-disciplines, were developed by liberal and conservative intellectuals as part of an ideological struggle against not just communism, but also Keynesian-inspired social democracy. None of the above is to suggest that all the intellectual work that informed NPM can be directly attributed to the RAND defence rationalists, or to *bona fide* members of the neoliberal thought collective – though it is clear that these politically committed intellectuals were central. The point is that the apparently technocratic organisational shifts in public management that took hold from the 1980s, and which continued apace in the 1990s, were one aspect of a broader and deeper intellectual movement and political project to reshape the political economy of global capitalism, augment corporate power, and to discipline or dismantle the partially democratised functions of the state.

It was argued in the introductory chapter that neoliberalism can be understood as a fundamentally anti-democratic force, and the account above builds on this argument. The anti-democratic impulse in neoliberalism, which can be traced to a fundamental tension within capitalism more generally,<sup>208</sup> has been most thoroughly detailed and strenuously argued by Klein in *The Shock Doctrine*, in which she describes how the yearning for a free market utopia led to the opportunistic implementation of unpopular structural reforms in the midst of social crises. Another important, albeit perhaps less engaging account outlining the centrality of ‘discipline’ to the neoliberal era is given by Alasdair Roberts, who was cited in the introductory chapter. In *The Logic of Discipline*, Roberts notes the ‘widely accepted view that the era of liberalization was also one of democratization – that is, a time in which the principle of popular sovereignty was firmly entrenched’, but shows how in fact neoliberal reforms built upon a ‘deep scepticism about the merits of conventional methods of democratic governance’.<sup>209</sup> Instituting ‘discipline’ meant constructing institutional frameworks which would

constrain policy makers and state officials, or compel them to act in certain ways. Roberts's account focuses on the disciplining of democracy in the sense that policy making in the neoliberal period became insulated from popular pressure. But discipline in the sense of control and coercion, which is more central to Klein's account, has also been central to what Peck, Theodore, and Brenner term 'really existing neoliberalism'. They define neoliberalism as a process of 'market-oriented, market-disciplinary regulatory restructuring' and note that it 'has in practice entailed a dramatic intensification of coercive, disciplinary forms of state intervention in order to *impose* versions of market rule',<sup>210</sup> a dynamic Stuart Hall astutely observed in 1979 when he remarked: 'Make no mistake about it: under this regime, the market is to be Free; the people are to be Disciplined'.<sup>211</sup>

The coercive nature of neoliberalism is often missed by critics, perhaps because of the emphasis its ideologues and apologists have placed on individual freedom, and particularly on the desirability of removing government constraints to the operation of the 'free market'. But even Hayek, who vociferously opposed any interference with the 'price system', did not believe that the 'free market' would spontaneously emerge once actors were freed from regulatory constraints. Indeed, he lamented that 'primitive instincts and feelings' had led to the 'failure of a large number of people to accept the moral principles which form the basis of the capitalist system,' and believed that, if permitted, these 'inborn emotions' would lead people to resist the 'unpleasant things which the changing market required'. What was necessary therefore, according to Hayek, was to create 'an institutional framework within which the price system will operate as efficiently as possible'.<sup>212</sup> The need to establish a strong institutional framework to support free enterprise and private property was most strongly emphasised within the 'neoliberal thought collective' by the Ordoliberals and the public choice theorists, who had the most developed analysis of politics and the state. Partly in response to the social upheavals of the late 1960s, the public choice theorists had devoted considerable attention to the study of the theory of anarchy. The results of this research were published as *Explorations in the Theory of Anarchy* and *Further Explorations in the Theory of Anarchy* in 1972 and 1974 respectively. Contributors were near unanimous in concluding that though, as Buchanan put it, the 'anarchist utopia must be acknowledged to hold a lingering if ultimately spurious attractiveness',<sup>213</sup> in fact the state is necessary to preserve economic freedom through the protection of property rights and the enforcement of contracts.<sup>214</sup> Buchanan's own conclusion to this effect was based on a game theory calculation which showed that without a third party enforcer, 'utility maximization would lead each person to defect on his contractual obligation' and choose not to respect the property of other actors.<sup>215</sup> Buchanan concluded his influential work, *The Limits of Liberty: Between Anarchy and Leviathan*, by arguing that both 'socialism' and 'laissez-faire' had failed and that 'a newly defined structural arrangement' was necessary.<sup>216</sup> Olssen argues that Buchanan thus 'introduced a major shift from liberal to neoliberal governmentality, from a naturalist faith in markets to an anti-naturalistic thesis which expresses a much greater faith in *conscious political action*'.<sup>217</sup> This is a crucial point for understanding 'really existing neoliberalism', which Seymour puts concisely:

Neoliberalism is not just classic laissez-faire economic liberalism. Neoliberalism may imply a model of 'human nature' as competitive and rationally self-interested. But in practise it does not assume that the behaviour it values is 'natural'. Rather, it sets out to institutionalise and incentivise the forms of behaviour that it sees as desirable. It does not simply interpret individuals as rational entrepreneurial actors, per *homo economicus*, but actively seeks to refashion individuals along those lines with a range of political and institutional reforms.<sup>218</sup>

Once it is understood that neoliberals have sought not so much to free the market, as to build 'a newly defined structural arrangement' through *conscious political action* – the New Public Management can be more clearly understood as a genuine facet of the neoliberal political project. For whilst plainly not driven by a pure 'free market' agenda, its many permutations were clearly shaped by the neoliberal diagnosis of the political and economic crisis of the 1970s and the alleged pathologies of the democratic state of which it was taken to be a symptom. The particular elements of this broader project of knowledge production which were incorporated into what became known as the NPM were those that most closely grappled with the question of neoliberal governance, that is how in practical terms the neoliberals might transform society and the state. Indeed, if Davies is correct in seeing

neoliberalism as in essence a project to 'remould institutions, state agencies and individuals, in ways that were compatible with a market ethos (however defined) and were amenable to economic measurement',<sup>219</sup> it is hard to see NPM as anything other than neoliberal praxis and Birtism, therefore, as a variety of 'really existing neoliberalism'.

### **A new institutional architecture**

In April 1993, the Producer Choice system took effect as planned. 'On that day,' Birt notes in his autobiography, 'for the first time in its history, the BBC became a trading institution, and ceased to be a command economy.'<sup>220</sup>

There were bitter ironies in Birt's reforms. Not least the fact that such a strong emphasis had been placed on freedom, but in reality the reforms resulted in an augmentation of centralised managerial (and editorial) authority. For all the rhetoric of 'devolution and freedom', the BBC under Birt's leadership was highly authoritarian. Michael Grade charged that the BBC under his leadership became a place of 'iron discipline' where staff were 'afraid to speak publicly unless every word has been cleared with the BBC's own thought police'.<sup>221</sup> An interviewee remarks that:

Birt was the first person who made the DGship a Kingship. [...] He made himself a dictator and somehow sapped the confidence of those underneath him. [...] I think he made it into, tried to run it like, a business.<sup>222</sup>

During the implementation of Producer Choice, one member of staff reported: 'a "you are with us or against us" mentality. Things are being imposed by diktat with little consultation on the ground. It is rule by fear...'<sup>223</sup>

That the BBC leadership were sensitive of the tensions and contradictions in the rhetoric and reality of Producer Choice is evident from a document entitled, 'Cash Management Under Producer Choice', which stated:

Given the emphasis of the Producer Choice philosophy on decentralisation and business unit freedom, some managers may feel that these cash management concerns are pulling in the opposite direction. ... Our job is to create freedom within a responsible framework of cash management, not to use freedom as an excuse for cash management failures.<sup>224</sup>

Another revealing document is a 1992 memo from Birt. In February that year, during a meeting of the BBC North Regional Council, the chair raised the issue of 'double costing' – a central concern in the development of Producer Choice – with the Head of Broadcasting, North John Shearer. According to the minutes, Shearer reassured her that

there would be controls over the system, especially in the regions, to ensure that producers did not indulge in a 'free for all' approach. Heads of department would supervise and, where necessary, intervene in the process in order to ensure sensible and consistent management.

This prompted a memo from Birt to the Managing Director of Regional Broadcasting, Ron Neil, which stated:

I do not regard John Shearer's statement to the BBC North Regional Council as an accurate account of BBC policy: he is speaking the language of control and restraint rather than devolution and freedom.

I'd be grateful if he could be steered towards a better understanding of what our policy is.<sup>225</sup>

An obviously anxious Shearer responded that an 'enthusiastic minuter' had misrepresented the nature of the discussion and reassured Neil that he was a 'true' 'believer' who 'strongly support[ed] Producer Choice'.<sup>226</sup>

Official Birtist policy notwithstanding, the reality of Producer Choice was closer to Shearer's supposedly erroneous summation. This is clear from the evidence in the Producer Choice Evaluation Study carried out on behalf of the Steering Group by Michael Starks, Rodney Baker-Bates and Olga

Edridge of the BBC, Alan Hammill of Coopers and Lybrand, John Hughes of the purchasing consultants ADR and Laurie McMahon of the Office for Public Management. Helen Brown, also of the Office for Public Management, acted as *rapporteur* for the study, and was tasked with conducting a series of focus groups and in-depth interviews to examine the ‘understanding of, and commitment to, Producer Choice by staff within the BBC’. The report noted the

perception (Staff survey, interviews) of a continuing ‘centrist’ approach, while Producer Choice principles appear to embody a devolved approach. This perception includes universal prescriptions rather than local determination, cost reporting rather than cost management, cumbersome procedures which do not add value to the work of Business Units, absence of freedom to buy eg payroll services outside or to merge Business Units or retain underspends.<sup>227</sup>

This points to a further irony in Birtism: that despite the strong emphasis on efficiency, in practice it resulted in the proliferation, rather than a reduction, in administration. As we have seen, Producer Choice involved the construction of a new and complex layer of bureaucracy, a system of mechanisms and incentives which, Birt acknowledges, required ‘a vast influx of skilled outside recruits from the finance sector.’<sup>228</sup> Under this new regime, critics complained, ‘creative staff’ were ‘usurped by legions of lawyers, accountants, business affairs executives, and policy unit apparatchiks.’<sup>229</sup> In July 1993, the BBC’s Director of Finance and Technology, Rodney Baker-Bates, wrote of a ‘concern that life under Producer Choice is characterised (at least by anecdotal comment) by paper overload, bureaucracy, needless volumes of transactions and undue complexity’.<sup>230</sup> There were similar findings from the Evaluation Study which reported that: ‘increased workload (including reporting, administration, negotiating and contracting) was widely reported,’ and that, ‘goodwill has been stretched almost to breaking point.’<sup>231</sup> Another document noted the ‘increase in paper work’ and the ‘unanimous view that there had been a huge increase in the volume of transactions to the point of unmanageability’.<sup>232</sup> All this despite Birt’s promise that Producer Choice would ‘cut out bureaucracy’ and ‘devolve power’,<sup>233</sup> and Michael Starks’s claim that it would allow the BBC to be managed ‘straightforwardly with minimum bureaucracy’<sup>234</sup> and ‘reduce tiers of administration and streamline decision-making’.<sup>235</sup>

For right-wing critics like Quentin Letts, the fact that bureaucracy increased under Birt (Letts notes that ‘overheads’ increased by over 60% during his leadership) is the final proof that, far from being an ‘agent of free-market rationalisation’, Birt was in fact ‘a state megalith-maker’.<sup>236</sup> This argument, however, rests on an understanding of neoliberalism that takes its popular articulations – the allusions to efficiency, cost cutting, small government and so on – at face value whilst ignoring the movement’s much more sophisticated engagement with questions of constitutional design, governance and institutional frameworks; not to mention the empirical record of ‘really existing neoliberalism’, which suggests that the proliferation of financial bureaucracy at Birt’s BBC is far from unique. As the conservative political philosopher Phillip Blond has noted, the influence of neoliberalism on politics and corporate governance has resulted in ‘some remarkably paradoxical consequences’, not least the fact that ‘the market solution generates a huge and costly bureaucracy of accountants, examiners, inspectors, assessors and auditors, all concerned with assuring quality and asserting control’.<sup>237</sup> Similarly, leading ‘governmentality’ scholars Peter Miller and Nikolas Rose, have observed in their studies of neoliberal micro-cultures that the ‘extension of rationalities and technologies of markets to previously exempt zones... appeared to enhance the autonomy of zones, persons, entities, but enwrapped them in new forms of regulation – audits, budgets, standards, risk management, targets’.<sup>238</sup> The former Coopers Lybrand consultant Michael Power sought to capture this phenomenon with the phrase ‘the audit society’. Power noted that

During the late 1980s and early 1990s, the word ‘audit’ began to be used in Britain with growing frequency... and, to varying degrees, acquired a degree of institutional stability and acceptance. Increasing numbers of individuals and organizations found themselves subject to new or more intensive accounting and audit requirements. In short, a growing population of ‘auditees’ began to experience a wave of formalized and detailed checking up on what they do.<sup>239</sup>

After criticisms over his lack of definitional clarity and empirical data, Power readily expressed a certain agnosticism as to the causes and consequences of the ‘audit explosion’. Nevertheless, he maintained that whilst in some circumstances auditing might be ‘an expensive but harmless ritual’, it remains ‘plausible to suggest that the audit explosion is fundamentally an ideologically driven system for disciplining and controlling [professionals]’.<sup>240</sup> Power’s contention is supported by Pollitt et al’s cross national study *Performance or Compliance?*, which finds that the ‘audit of public bureaucracies in all cases remained largely processual and compliance oriented, in spite of the pervasive rhetoric of “judgment by results”’.<sup>241</sup>

The heavily bureaucratic and coercive nature of ‘really existing neoliberalism’, of which Birtism is an archetypal example, has been most clearly critiqued by the social theorist Mark Fisher, whose comments on this point are worth quoting at length, if only because his final designation resonates with the social experiences of those on the receiving end of Birtism. as was noted at the beginning of this chapter:

The idealized market was supposed to deliver ‘friction free’ exchanges, in which the desires of consumers would be met directly, without the need for intervention or mediation by regulatory agencies. Yet the drive to assess the performance of workers and to measure forms of labor which, by their nature, are resistant to quantification, has inevitably required additional layers of management and bureaucracy. What we have is not a direct comparison of workers’ performance or output, but a comparison between the audited representation of that performance and output. Inevitably, a short-circuiting occurs, and work becomes geared towards the generation and massaging of representations rather than to the official goals of the work itself. ... This reversal of priorities is one of the hallmarks of a system which can be characterized without hyperbole as ‘market Stalinism’.<sup>242</sup>

Interestingly, in 1995 Ronald Amann, a scholar of the Soviet political economy, noted the similarities between the central planning he had observed and the audit culture and quasi-markets that had arisen in Britain under the influence of neoliberalism.<sup>243</sup> Returning to the subject in 2013, Amann noted that ‘many aspects of the overall mode of political and managerial control are disturbingly familiar – not least in a prevailing ideological narrative that represents this form of managerialism as a source of individual empowerment’.<sup>244</sup>

If the organisational restructurings and accountability mechanisms of the neoliberal period – the establishment of quasi-market systems, the proliferation of financial and performance auditing, and other monitoring techniques and strategies – were in essence part of a disciplinary project to install individualist competition and compel ritualistic compliance with market values, then the freedom neoliberals like Birt promised to deliver is hollow indeed. For the choices an actor makes in such an institutional context are circumscribed not only by the traditional bureaucratic controls – which in many cases have been retained, even expanded<sup>245</sup> – but also by financial pressures and structured incentives designed to induce conformity with an arbitrary rationality shaped by the architects of the system. Freedom in a neoliberal bureaucracy thus consists of little more than the exercise of limited choices that conform with bureaucratic strictures and financial imperatives imposed by a central authority. Exercising freedom thus becomes indistinguishable from complying with authority. This is a paradox clearly present in the ideologies of the New Public Management. Consider, for example, Pollitt and Summa’s suggestion that what they term ‘performance audits’ represents ‘a new solution to the ancient governmental problem of giving autonomy yet retaining control’,<sup>246</sup> or Christensen and Lægreid’s otherwise mystifying observation that NPM ‘simultaneously prescribes both more autonomy and more central control’ by ‘advocating both decentralization (let the managers manage) and centralization (make the managers manage)’.<sup>247</sup> This dynamic was clearly present in the Producer Choice system, which as Starks noted entailed not only a radical new approach to programme making, but also a shift at the ‘corporate centre’. Under Producer Choice, Starks wrote, the role of ‘BBC central’ was to govern through ‘setting performance standards’, ‘monitoring performance, and publicly accounting for meeting performance targets.’<sup>248</sup> The aforementioned Producer Choice document ‘Cash Management Under Producer Choice’ revealingly quoted the management theorist Charles Hampden-Turner on the question of central control as follows:

Effective organisations in the private sector are not more decentralised. They are more decentralised and better centralised for the simple reason that the more nerve endings you extend into the environment, the more complex must become the nerve centre that has to coordinate these: the interdependence of centralising and decentralising is a biological truism.<sup>249</sup>

With the Producer Choice system put into action, the BBC came increasingly to resemble the ‘cutting-edge organizations’ Sennett has described as being emblematic of organisational life in post-Fordist capitalism. In the companies Sennett observed, a casualised labour force operates within a flexible organisational structure, controlled via ‘analytic technologies’ such as internal markets by an increasingly powerful but isolated organisational centre. The casualisation of labour characteristic of ‘cutting-edge organizations’ was certainly central to Birt’s remodelling of the BBC. Whereas the Corporation had been a potent symbol of life-long job security, and had engendered in staff the institutional loyalty this tends to carry with it, under Birt it moved towards what is euphemistically referred to as a ‘flexible labour market’. The impact of Producer Choice and the independent production quota in this area was anticipated in a document drafted by the BBC’s Corporate Head of Equality and Diversity in March 1992:

Producer Choice gives producers both the freedom and the responsibility of choosing whether to use internal or external production resources for programme making. The BBC has a legal obligation to ensure that twenty-five per cent of television programmes are commissioned from outside by 1993/94. Both of these changes will result in a reduction of ‘staff’ posts and the increased use of external production companies, facilities houses and freelancers. ... These changes will result in greater casualisation throughout the industry.<sup>250</sup>

Indeed, the rapid impact of Producer Choice on employment conditions was noted in the Producer Choice Evaluation Study. It reported an increase in ‘(very) short term staff contracts’ and ‘a perception that excessive numbers of skilled staff have left’.<sup>251</sup> Related to this was ‘a fear that loyalty to the Business Units, further affected by short staff contracts, would develop at a cost, particularly for new staff, of loyalty to the Corporation.’ From this, the authors of the Evaluation Study cynically concluded that staffs’ institutional loyalty should have been more effectively leveraged: ‘This powerful assertion of intrinsic motivation – commitment to the institution – is a obviously [sic.] an asset, but it may be a passive asset which is not being fully maximised.’<sup>252</sup>

A decline in institutional loyalty is, according to Sennett, a cultural feature of the particular institutional architecture he observed, along with low levels of trust between workers and a weakening of institutional knowledge.<sup>253</sup> All these features of organisational life had been especially important at the BBC, since they were closely tied to its unique social purpose. Loyalty to the Corporation was also a commitment to the *idea* of the BBC, and thus intertwined with notions of public service broadcasting, to which BBC staff were strongly committed. Both were seen by staff to be under threat from Birtism, as the Evaluation Study noted:

more competitive internal relations have been identified [as a concern] by some respondents, together with reduced commitment to the corporation (as an organisation). ... conversely commitment to the corporation (as an institution with a strong public service ethos) is very high. To an extent this is seen as threatened by the shift to Producer Choice.<sup>254</sup>

James Long, who left the BBC in 1988, recalls how Birtism impacted on institutional loyalty:

Most of us were prepared to work at a significantly lower pay rate because it was the BBC, it was not independent television, it was a public service broadcaster and that’s about it. Everybody loved the BBC. And I think that got killed stone dead in a very short period of time. I think the arrival of the Birtist bureaucracy changed that, for the worse, overnight. Perhaps in a modern world it couldn’t have sustained anyway, but that did kill it really.<sup>255</sup>

Birt alludes to the long term changes to conditions of employment in his autobiography:



The main sadness of Producer Choice was that in an organisation where staff had had a cradle-to-grave expectation of security, and a loyal commitment to the cause of the BBC, over ten thousand staff would be made redundant or transfer out during the 1990s, the first contraction in the BBC's history. [...] Many would forever, and understandably, focus on the impact of Producer Choice on them personally – because it obliged them to work harder, or took away their security, or lost them their job.<sup>256</sup>

What Birt seems to implicitly acknowledge here, and what the Producer Choice Evaluation Study suggests BBC staff clearly grasped, is the fact that public service broadcasting – ‘the cause of the BBC’ – if it is to be anything more than an ideal to which broadcasters pay lip service, must be realised within a specific institutional context. And it was precisely this which staff believed was threatened by Producer Choice. Related to this concern was a strong opposition to the commercialisation of the Corporation:

[D]iscussants believed and expressed commitment to the notion that the BBC had the responsibility to ensure proper stewardship of public funds. They recognised that managing this responsibility had been less than effective in the past, and that improvements had to be made. This was the basis on which they supported Producer Choice.

However, they also believed that the BBC was not a business in the commercial sense. The BBC was a national corporation; it had the character of a national institution; it was in the public sector because it created public goods. ... Discussants felt strongly that this element of the BBC's role in British life constituted a cost which should not be a normal part of market transactions.<sup>257</sup>

Though the BBC leadership emphasised the continued importance of public service broadcasting, staff considered that ‘the role and status of the public service ethos’ was unclear ‘in a system where price appears to be everything.’<sup>258</sup>

Despite the deep scepticism of BBC staff, Producer Choice, Birt notes triumphantly, ‘changed the BBC's culture fundamentally – for ever’.<sup>259</sup> Coupled with the 25% independent production quota, it entailed a significant integration of the BBC into the capitalist market. Of course, to some extent, the BBC had always operated in the market. Though it has developed its own technology, its capital assets have been largely purchased from corporations, and its workforce have often been recruited from, or left for, equivalent positions in the private sector. Nevertheless, the reforms of the Birt era represented a sea-change. The whole process of programme making and commissioning became intimately intertwined with the private sector, which attracted BBC personnel able to capitalise on their skills and connections by selling back programming or resources to the Corporation. The BBC itself meanwhile stepped up its commercial operations to compensate for the reduction in licence fee income, which now flowed outwards to private landlords, companies providing catering, cleaning, security and other services, independent producers who now provided a quarter of BBC programming and other private sector providers who under Producer Choice could compete with the BBC's Resource Business Units.<sup>260</sup> The marketisation was consolidated by a further structural reorganisation imposed by Birt in 1996. Under the advice of McKinsey, the BBC was split down the middle into separate bodies, BBC Production and BBC Broadcast, with the former providing programming to the latter in competition with the private sector. Just as money and personnel flowed to and from the private sector, so its commercial ethos and working practices worked their way inwards to the BBC, with very concrete impacts on its organisational structure and working culture. The outcome of these various changes has been detailed by the anthropologist Georgina Born, who describes ‘the installation throughout the BBC... of a new culture of entrepreneurialism.’<sup>261</sup> The Birt era reforms, according to Born, ‘generated a new value system’ and the BBC became ‘infatuated with markets’.<sup>262</sup> The Corporation was thus gradually transformed from a social democratic institution into a neoliberal bureaucracy.

- <sup>1</sup> Dennis C. Mueller, *Lectures on Virginia Political Economy: The 'Virginia School' and Public Choice* (Fairfax, Virginia: The Center for Study of Public Choice, 1985), 6.
- <sup>2</sup> Interview with Peter Jay, 26 April 2013.
- <sup>3</sup> Michael Mann, *The Sources of Social Power: Volume 4, Globalizations, 1945-2011* (Cambridge: Cambridge University Press, 2013) 1-2.
- <sup>4</sup> Michael Grade, 'The Future of the BBC,' in *Television Policy: The MacTaggart Lectures*, ed. Bob Franklin (Edinburgh: Edinburgh University Press, 2005), 162.
- <sup>5</sup> Jonathan Sale, 'Obituary: Troy Kennedy Martin: Scriptwriter behind two classics - Z Cars and The Italian Job,' *Guardian*, 17 September 2009, 33.
- <sup>6</sup> 'The people who sank Panorama,' *Guardian*, 9 September 2002, accessed 27 December 2014, <http://www.theguardian.com/media/2002/sep/09/mondaymediasection.bbc>.
- <sup>7</sup> Quoted in Chris Blackhurst, 'Birt in Black and White,' *Independent*, 10 August 2001, 3.
- <sup>8</sup> 'Birtism: What they say,' *Independent on Sunday*, 18 July 1993, accessed 27 December 2014, <http://www.independent.co.uk/news/uk/birtism-what-they-say-1485618.html>.
- <sup>9</sup> 'In the Air,' *Evening Standard*, 9 February 2005, 52.
- <sup>10</sup> John Birt, *The Harder Path: The Autobiography* (London: Time Warner, 2002), 266.
- <sup>11</sup> Simon Walters, 'Fury over 'Stalin' Birt's five year plans for every Minister,' *Mail on Sunday*, 8 February 2004, 11.
- <sup>12</sup> O'Malley, *Closedown?*, 171.
- <sup>13</sup> Home Secretary Leon Brittan, letter to BBC Chairman Stuart Young, 29 July 1985. Obtained by the *Guardian* under the Freedom of Information Act and available at: <http://image.guardian.co.uk/sys-files/Media/documents/2005/12/12/July29A.pdf>.
- <sup>14</sup> BOG minutes (special) August 6 1985. Obtained by the *Guardian* under the Freedom of Information Act and available at: <http://image.guardian.co.uk/sys-files/Media/documents/2005/12/12/Aug6BogA.pdf>
- <sup>15</sup> Norman Tebbit, *Upwardly Mobile* (London: Weidenfeld and Nicolson, 1988), 196.
- <sup>16</sup> For a critical assessment of Tebbit's dossier see Philo, *Seeing and Believing*, 205.
- <sup>17</sup> Woodrow Wyatt and Sarah Curtis, *The Journals of Woodrow Wyatt: Vol 1* (London: Pan Books, 1999), 191-193.
- <sup>18</sup> Simon Jenkins, 'Bias and The Beeb - Does the charge stick?,' *Sunday Times*, 5 October 1986, accessed via Nexis UK.
- <sup>19</sup> Marmaduke Hussey, *Chance Governs All: A Memoir* (London: Macmillan, 2001), 208.
- <sup>20</sup> Kim Sengupta, 'The Hamilton Affair: The cost - Right-wing donors united by their loathing of Fayed,' *Independent*, 22 December 1999, accessed 28 December 2014, <http://www.independent.co.uk/news/the-hamilton-affair-the-cost--rightwing-donors-united-by-their-loathing-of-fayed-1134008.html>.
- <sup>21</sup> Hussey, *Chance Governs All*, 218.
- <sup>22</sup> *Ibid.*, 218.
- <sup>23</sup> Birt, *Harder Path*, 241.
- <sup>24</sup> *Ibid.*, 58.
- <sup>25</sup> *Ibid.*, 149.
- <sup>26</sup> *Ibid.* p.147.
- <sup>27</sup> Andy Beckett, *When the Lights Went Out: Britain in the Seventies* (London: Faber and Faber, 2009), 338.
- <sup>28</sup> Birt, *Harder Path*, 149
- <sup>29</sup> *Ibid.*, 152.
- <sup>30</sup> *Ibid.*, 149.
- <sup>31</sup> Beckett, *When the Lights Went Out*, 275.
- <sup>32</sup> Birt, *Harder Path*, 155.
- <sup>33</sup> Birt, *Harder Path*, 244.
- <sup>34</sup> On which see Chapter 2.
- <sup>35</sup> John Birt, 'Broadcasting's journalistic bias is not a matter of politics but of presentation,' *The Times*, 28 February 1975, 14.

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- <sup>36</sup> John Birt and Peter Jay, 'Why television news is in danger of becoming an anti-social force,' *The Times*, 3 September 1976, 6.
- <sup>37</sup> Birt, *Harder Path*, 261.
- <sup>38</sup> *Ibid.*, 281.
- <sup>39</sup> *Ibid.*, 283.
- <sup>40</sup> Interview with James Long, 28 May 2014.
- <sup>41</sup> Birt, *Harder Path*, 278.
- <sup>42</sup> *Ibid.*, 291.
- <sup>43</sup> *Ibid.*, 263.
- <sup>44</sup> *Ibid.*, 292-3.
- <sup>45</sup> Churchill Archives Centre, The Papers of Peter Jay, PJAY 4/6/9. Letter from Liz Horgan to Peter Jay, 29 December 1987.
- <sup>46</sup> Born, *Uncertain Vision*, 387.
- <sup>47</sup> Birt, *Harder Path*, 264-5.
- <sup>48</sup> *Ibid.*, 278.
- <sup>49</sup> *Ibid.*, 303.
- <sup>50</sup> *Ibid.*, 303.
- <sup>51</sup> Born, *Uncertain Vision*, 394-396.
- <sup>52</sup> Interview with former BBC Producer, date withheld.
- <sup>53</sup> Rachid Errtibi, 'Closure of the White City building', About the BBC Blog, 28 March 2013, accessed 27 December 2014, <http://www.bbc.co.uk/blogs/aboutthebbc/entries/4be1aed8-df02-304c-b8e9-c83af683abe9>
- <sup>54</sup> Greg Dyke, *Greg Dyke: Inside Story* (London: Harper Collins, 2004), 211.
- <sup>55</sup> Quentin Letts, *50 people who buggered up Britain* (London: Constable, 2009), 33.
- <sup>56</sup> Birt, *Harder Path*, 306, 314.
- <sup>57</sup> Hussey, *Chance Governs All*, 246.
- <sup>58</sup> BBC Written Archives Centre, R162-46-1, Michael Starks, Best Industry Practice (or Productivity) Studies.
- <sup>59</sup> Birt, *Harder Path*, 315.
- <sup>60</sup> *Ibid.*, 310.
- <sup>61</sup> *Ibid.*, 311-2.
- <sup>62</sup> *Ibid.*, 312-3.
- <sup>63</sup> *Ibid.*, 330.
- <sup>64</sup> *Ibid.*, 310.
- <sup>65</sup> *Ibid.*, 317.
- <sup>66</sup> Chris Carter and Alan McKinlay, 'Cultures of strategy: Remaking the BBC, 1968-2003,' *Business History* 55 no.7 (2013): 1228-1246.
- <sup>67</sup> Birt, *Harder Path*, 318.
- <sup>68</sup> BBC Written Archives Centre, R162/45/1. Implementation of Producer Choice.
- <sup>69</sup> Birt, *Harder Path*, 320.
- <sup>70</sup> BBC Written Archives Centre, R162/45/1. Michael Starks, Producer Choice: Presentation and Launch, 15 October 1991.
- <sup>71</sup> Sally Hiller, 'Producer Choice: programme-makers free to shop around,' *Ariel*, 30 October 1991, 4-5.
- <sup>72</sup> Alain C. Enthoven, *Reflections on the Management of the National Health Service: An American Looks at Incentives to Efficiency in Health Services Management in the UK* (London: Nuffield Provincial Hospitals Trust, 1985), 2.
- <sup>73</sup> *Ibid.*
- <sup>74</sup> *Ibid.*, 3.
- <sup>75</sup> The initiative followed a review commissioned by the Thatcher Government in 1987 and the publication in January 1989 of the White Paper *Working for Patients* – a document which Enthoven would later note proposed 'a set of ideas very similar to the internal market model'. (Alain Enthoven, 'Internal market reform of the British National Health', *Health Affairs* 10, no.3 (1991): 61.)

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- <sup>76</sup> Ewan Ferlie, *The New Public Management in Action* (Oxford: Oxford University Press, 1996), 66-67.
- <sup>77</sup> BBC Written Archives Centre, T62-358-1, Producer Choice – Cliff Taylor Papers, Alasdair Liddell, letter to Michael Starks, 4 November 1991.
- <sup>78</sup> BBC Written Archives Centre, R162/45/1. Implementation of Producer Choice.
- <sup>79</sup> BBC Written Archives Centre, T62-355-1, Producer Choice – Cliff Taylor Papers, Distribution List.
- <sup>80</sup> David Parker, *The Official History of Privatisation, Volume I: The formative years 1970–1987* (London and New York: Routledge, 2009). David Parker, *The Official History of Privatisation, Vol. II: Popular Capitalism, 1987-97* (London and New York: Routledge, 2012).
- <sup>81</sup> Sally Hiller, ‘Challenging’ time ahead’, *Ariel*, 30 October 1991, 4-5.
- <sup>82</sup> Michael Starks, *Not for Profit, Not for Sale: The Challenge of Public Sector Management* (Hermitage, Berkshire: Policy Journals, 1991), Preface.
- <sup>83</sup> *Ibid.*, 162.
- <sup>84</sup> Michael Starks, ‘Producer Choice in the BBC,’ in *From Hierarchy to Contract*, ed. Anthony Harrison, (Hermitage, Berkshire: Policy Journals, 1993), 166.
- <sup>85</sup> *Ibid.*
- <sup>86</sup> BBC Written Archives Centre, T62/355/1 – Producer Choice – Cliff Taylor Papers, Deloitte – Criteria for Establishing Resource Business Units, nd.
- <sup>87</sup> BBC Written Archives Centre, T62-358-1, Producer Choice – Cliff Taylor Papers, Michael Starks, Financial Management under Producer Choice, 4 September 1992. Emphasis in original.
- <sup>88</sup> Starks, ‘Producer Choice in the BBC’, 170.
- <sup>89</sup> BBC Written Archives Centre, T62-357-1, Producer Choice – Cliff Taylor Papers, Michael Starks/Alan Hammill Double-Spend: Risk Management, ND.
- <sup>90</sup> BBC Written Archives Centre, T62-358-1, Producer Choice – Cliff Taylor Papers Producers Owning Resources.
- <sup>91</sup> BBC Written Archives Centre, R162-45-1, Producer Choice: Your Questions and Answers, Updated 4 March 1992.
- <sup>92</sup> *Ibid.*
- <sup>93</sup> BBC Written Archives Centre, R87-197-1, Producer Choice: Evaluation. Key Messages from the listening exercise. Office for Public Management, 16 July 1993.
- <sup>94</sup> BBC Written Archives Centre, T62-358-1, Producer Choice – Cliff Taylor Papers, Michael Starks, Management Buy-Outs and Franchising, 11 April 1992.
- <sup>95</sup> *Ibid.*
- <sup>96</sup> BBC Written Archives Centre, R162-45-1, Producer Choice: Your Questions and Answers, Updated 4 March 1992.
- <sup>97</sup> BBC Written Archives Centre, T62-357-1, Producer Choice – Cliff Taylor Papers, Michael Starks/Alan Hammill Double-Spend: Risk Management, ND.
- <sup>98</sup> Starks, ‘Producer Choice in the BBC’, 171.
- <sup>99</sup> BBC Written Archives Centre, T62-358-1, Producer Choice – Cliff Taylor Papers. Property Reduction Strategy.
- <sup>100</sup> *Ibid.*
- <sup>101</sup> BBC Written Archives Centre, T62-358-1, Producer Choice – Cliff Taylor Papers. Property Reduction Strategy.
- <sup>102</sup> BBC Written Archives Centre, T62-355-1, Producer Choice: Project masterplan, nd.
- <sup>103</sup> BBC Written Archives Centre, R162-46-1, Michael Starks, Best Industry Practice (or Productivity) Studies.
- <sup>104</sup> BBC Written Archives Centre, T62-357-1, Producer Choice – Cliff Taylor Papers, Confidential BBC Productivity Report, ND.
- <sup>105</sup> *Ibid.*
- <sup>106</sup> BBC Written Archives Centre, T62-357-1, Producer Choice – Cliff Taylor Papers, John Smith, letter to external consultants, 20 September 1991.
- <sup>107</sup> BBC Written Archives Centre, R162-46-1, Michael Starks, letter to Alan Hammill, 19 May 1992.

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- <sup>108</sup> BBC Written Archives Centre, R162-46-1, Michael Starks, Best Industry Practice (or Productivity) Studies.
- <sup>109</sup> BBC Written Archives Centre, R162-46-1, Dick Bates, Memo to John Birt, 13 May 1992.
- <sup>110</sup> BBC Written Archives Centre, R162-46-1, John Birt, letter to Dick Bates, 27 May 1992.
- <sup>111</sup> Birt, *Harder Path*, 324.
- <sup>112</sup> Hussey, *Chance Governs All*, 262.
- <sup>113</sup> Birt, *Harder Path*, 292.
- <sup>114</sup> O'Malley, *Closedown?*, 158.
- <sup>115</sup> Hussey, *Chance Governs All*, 222.
- <sup>116</sup> BBC Written Archives Centre, R162-46-1, Bob Dulson, Producer Choice External Communication Strategy, 27 May 1992.
- <sup>117</sup> 'How would a government which wanted to abolish the BBC licence fee get its way?', Decision Time, BBC Radio 4, London, 20 January 2010.
- <sup>118</sup> Birt, *Harder Path*, 314.
- <sup>119</sup> BBC Written Archives Centre, R162-45-1, Producer Choice: Your Questions and Answers, Updated 4 March 1992.
- <sup>120</sup> Starks, 'Producer Choice in the BBC', 175.
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- <sup>122</sup> BBC Written Archives Centre, T62-355-1, Producer Choice: Project masterplan, nd.
- <sup>123</sup> BBC Written Archives Centre, T62-358-1, Producer Choice – Cliff Taylor Papers, The Shape and Size of the Training Need, 8 November 1991.
- <sup>124</sup> BBC Written Archives Centre, R162/45/1. Producer Choice Regional Directorate Training Needs Analysis, Update Paper, 8 January 1992.
- <sup>125</sup> BBC Written Archives Centre, R162/45/1 – Producer Choice (1 Oct 1991 – 31 March 1992).
- <sup>126</sup> Peter Clout, BBC Producer Choice: A Case Study, Major Projects Association Briefing Paper Number 16, 27.
- <sup>127</sup> *Ibid.*, 16, 22.
- <sup>128</sup> BBC Written Archives Centre, T62-355-1, Producer Choice – Cliff Taylor Papers, Michael Starks, Towards a Work-Plan, ND.
- <sup>129</sup> BBC Written Archives Centre, T62-355-1, Producer Choice: Project masterplan, nd.
- <sup>130</sup> BBC Written Archives Centre, R162-45-1, Producer Choice: Your Questions and Answers, Updated 4 March 1992.
- <sup>131</sup> BBC Written Archives Centre, T62-355-1, Producer Choice: Project masterplan, nd.
- <sup>132</sup> BBC Written Archives Centre, R162-45-1, Producer Choice – Rewards and Incentives.
- <sup>133</sup> BBC Written Archives Centre, R162-46-1 Michael Starks, Incentives: A Discussion Paper, 16 July 1993. BBC staff objected to the introduction of financial incentives, which they felt called into question their loyalty and professional commitment. The Producer Choice Evaluation Study noted: 'It was implicitly clear that most discussants were uncomfortable with the thought they should be offered incentives to make Producer Choice a success. They already had a high degree of commitment to the organisation, and were committed in principle to the thinking behind Producer Choice and its aims.' (R87-197-1, Producer Choice: Evaluation. Key Messages from the listening exercise. Office for Public Management, 16 July 1993.)
- <sup>134</sup> Andrew Gamble, *The Free Economy and the Strong State: The Politics of Thatcherism* 2<sup>nd</sup> Edition (London: Palgrave Macmillan, 1994), 135.
- <sup>135</sup> Birt, *Harder Path*, 443.
- <sup>136</sup> Burns, *The BBC*, 212.
- <sup>137</sup> *Ibid.*, 222-3.
- <sup>138</sup> Donald F. Kettl, *The Global Public Management Revolution* (Brookings Institution Press, 2005), 3.
- <sup>139</sup> Christopher Hood, 'A Public Management for all Seasons?', *Public administration* 69 no.1 (1991): 3-19.
- <sup>140</sup> Richard Batley and George A. Larbi, *The changing role of government: The reform of public services in developing countries* (Basingstoke: Palgrave Macmillan, 2004), 41.
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- <sup>142</sup> Kettl, *The Global Public Management Revolution*, 1-2.
- <sup>143</sup> Christopher Pollitt and Geert Bouckaert, *Public Management Reform: A Comparative Analysis- New Public Management, Governance, and the Neo-Weberian State* (Oxford University Press, 2011).
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- <sup>148</sup> M. Shamsul Haque, 'Revisiting the New Public Management,' *Public Administration Review* 67 no.1 (2007): 179-182.
- <sup>149</sup> Pauline Dibben, Geoffrey Wood and Ian Roper, 'Introduction: Public Sector Management and the Neo-liberal Hegemony: A Critical and International Perspective,' in *Contesting Public Sector Reforms: Critical Perspectives, International Debates*, eds. Pauline Dibben, Geoffrey Wood and Ian Roper (Basingstoke: Palgrave MacMillan, 2004), 1.
- <sup>150</sup> Axel van den Berg, 'Public Choice, the Public Sector and the Market: The Sound of One Hand Clapping?,' in *Contesting Public Sector Reforms: Critical Perspectives, International Debates*, eds. Pauline Dibben, Geoffrey Wood and Ian Roper (Basingstoke: Palgrave MacMillan, 2004), 13-25.
- <sup>151</sup> Dennis C. Mueller, 'Public Choice: A Survey,' *Journal of Economic Literature* 14 no.2 (1976): 395-433.
- <sup>152</sup> James M. Buchanan, 'Public choice: the origins and development of a research program,' Center for the Study of Public Choice at George Mason University (2003), accessed 27 December 2014, <http://www.gmu.edu/centers/publicchoice/pdf%20links/Booklet.pdf>.
- <sup>153</sup> Gernod Gruening, 'Origin and theoretical basis of New Public Management,' *International Public Management Journal* 4 no.1 (2001): 1-25.
- <sup>154</sup> Peter Aucoin, 'Administrative Reform in Public Management: Paradigms, Principles, Paradoxes and Pendulums,' *Governance* 3 no.2 (1990): 115-137.
- <sup>155</sup> Hood, 'A Public Management for all Seasons?,' 3-19.
- <sup>156</sup> Batley and Larbi, *The changing role of government*, 32-38.
- <sup>157</sup> Jonathan Boston, 'Basic NPM Ideas and their Development,' in *The Ashgate Research Companion to New Public Management* eds. Tom Christensen and Per Lægreid (Farnham: Ashgate, 2011), 17.
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- <sup>159</sup> Guy Alchon, *The Invisible Hand of Planning: Capitalism, Social Science, and the State in the 1920s* (Princeton, NJ: Princeton University Press, 1985).
- <sup>160</sup> Sonja Michelle Amadae, *Rationalizing Capitalist Democracy: The Cold War Origins of Rational Choice Liberalism* (Berkeley: University of Chicago Press, 2003), 31.
- <sup>161</sup> Amartya Sen, *Rationality and Freedom* (Cambridge: Harvard University Press, 2004), 330.
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- <sup>163</sup> Patrick A. McNutt, *The Economics of Public Choice* (Cheltenham: Edward Elgar Publishing, 2002), 1-2.
- <sup>164</sup> Amartya Sen, 'Rationality and Social Choice,' *The American Economic Review* 85 no. 1 (1995): 1-24.
- <sup>165</sup> Mancur Olson and Christopher K. Clague, 'Dissent in Economics: The Convergence of Extremes,' *Social Research* 38 no.4 (1971): 751-776.
- <sup>166</sup> *Ibid.*
- <sup>167</sup> Buchan argued specifically that inflation caused alienation and hedonism. His understanding of inflation as moral, as much as a political and economic problem followed the German Ordoliberal, Wilhelm Röpke, who described inflation as 'merely the monetary aspect of the general decay of law and of respect for law' and argued that the decline in respect for money would lead to a decline in respect for private property and a collapse of 'the free society'. (James M. Buchanan and Richard E. Wagner, *Democracy in Deficit: The Political Legacy of Lord Keynes* (New York: Academic Press, 1977), accessed on 29 December 2014, <http://www.econlib.org/library/Buchanan/buchCv8.html>.)

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- <sup>169</sup> *Ibid.*, 265.
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- <sup>171</sup> Mueller, *Lectures on Virginia Political Economy*, 6.
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- <sup>173</sup> Geoffrey Brennan, 'Life in the Putty-Knife Factory! 1,' *American Journal of Economics and Sociology* 63 no.1 (2004): 88.
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- <sup>176</sup> William A. Niskanen, *Policy Analysis and Public Choice: Selected Papers by William A. Niskanen* (Cheltenham: Edward Elgar Publishing, 1998), 3-4.
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- <sup>182</sup> Niskanen, *Bureaucracy and Representative Government*, 189-230.
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- <sup>184</sup> Ludwig Mises and Murray Rothbard, 'Mises and Rothbard Letters to Ayn Rand,' *Journal of Libertarian Studies* 21 no.4 (2007): 11-16.
- <sup>185</sup> Ludwig Mises, *Liberalism in the Classical Tradition* (New York: Irvington-on-Hudson, 1985), 48-9, 51.
- <sup>186</sup> Mirowski and Plehwe, *The Road from Mont Pèlerin*.
- <sup>187</sup> Colin Hay for example treats neoliberal and public choice as two distinct schools of thought in *Why We Hate Politics*.
- <sup>188</sup> Stedman Jones, *Masters of the Universe*, 130.
- <sup>189</sup> H.A. Johnson (personnel officer) to Friedman, 19 February 1951, Box 22, Folder 9, Friedman Papers. Cited in Stedman Jones, *Masters of the Universe*, 128.
- <sup>190</sup> Noel Thompson, 'Hollowing Out the State: Public Choice Theory and the Critique of Keynesian Social Democracy,' *Contemporary British History* 22 no.3 (2008): 355-382.
- <sup>191</sup> O'Malley, *Closedown?*, 17-22.
- <sup>192</sup> Jackson, 'The Think-Tank Archipelago', 50.
- <sup>193</sup> Gordon Tullock, Arthur Seldon and Gordon L. Brady, *Government: Whose Obedient Servant?: A Primer in Public Choice* (London: Institute of Economic Affairs, 2000), xiii.
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- <sup>207</sup> Simard, 'Self-Interest in Public Administration, 406-411.
- <sup>208</sup> Streeck, 'The Crisis in Context: Democratic Capitalism and its Contradictions', 265.
- <sup>209</sup> Roberts, *The Logic of Discipline*, 4-6.
- <sup>210</sup> Jamie Peck, Nik Theodore and Neil Brenner, 'Neoliberal Urbanism: Models, Moments, Mutations,' *SAIS Review* 29 no.1 (2009): 49-66.
- <sup>211</sup> Stuart Hall, *Drifting Into a Law and Order Society* (London: The Cobden Trust, 1980), 5.
- <sup>212</sup> Friedrich Hayek, 'The moral imperative of the market,' in *The Unfinished Agenda: Essays on the Political Economy of Government Policy in Honour of Arthur Seldon*, eds. Friedrich A. Hayek and M.A. Anderson (Institute of Economic Affairs, 1986): 143-49.
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- <sup>214</sup> Edward Stringham, 'Can the State Improve a Hobbesian World?,' Ludwig Von Mises Institute, 13 September 2006, accessed 27 December 2014, <http://mises.org/daily/2127#fn1ref>.
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- <sup>218</sup> Richard Seymour, *The Meaning of David Cameron* (Winchester: Zero Book, 2010), 31.
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- <sup>223</sup> BBC Written Archives Centre, R87-197-1, Producer Choice: Evaluation. Key Messages from the listening exercise. Office for Public Management, 16 July 1993.
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- <sup>247</sup> Christensen and Lægreid, 'Introduction', 4.
- <sup>248</sup> Starks, 'Producer Choice in the BBC', 175.
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- <sup>255</sup> Interview with James Long, 28 May 2014
- <sup>256</sup> Birt, *Harder Path*, 328-9. Emphasis added.
- <sup>257</sup> BBC Written Archives Centre, R87-197-1, Producer Choice: Evaluation. Key Messages from the listening exercise. Office for Public Management, 16 July 1993.
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## Chapter 6

### Coming to terms with Thatcherism

[The BBC] producers, aged around 45 to 50, who decide programmes and choose the people who appear in them are largely the product of the post-war academic consensus dominated by Keynes and Beveridge and have yet to accommodate themselves to the change in economic opinion.

- Arthur Seldon, Founder President, Institute of Economic Affairs, 1980.<sup>1</sup>

[T]he BBC had not yet come to terms with Thatcherism. For ten years or more, LWT had been in the thick of the political and economic debate about what was wrong with Britain. The BBC's journalism, on the other hand, was still trapped in the old post-war Butskellite, Keynesian consensus.

- John Birt, BBC Director-General.<sup>2</sup>

Whilst the previous chapter described the neoliberal organisational reforms of the Birt era, the focus in this, and the following, chapter is on the changes to the BBC's business and economics journalism. Drawing on in-depth, semi-structured interviews, mainly with current and former BBC business and economics journalists, as well as other sources, it describes how the Corporation's business and economics journalism developed over a period stretching back to the economic crisis of the 1970s, up to the onset of the global financial crisis of 2008. As the opening quotes to this chapter suggest, this process of change was part of a broader shift from social democracy to neoliberalism, and as such should be considered as part and parcel of the same process of politically driven organisational change described in the previous chapter. The internal factors and broader social forces which drove this process are analysed in more detail in the following chapter. The account in the present chapter is somewhat more descriptive and is structured broadly chronologically. It begins with an account of the emergence of specialist financial reporting on BBC radio in the 1970s – programming and associated institutional expertise which would influence the subsequent expansion of business output. It then details how in the mid to late 1980s labour journalism went into decline whilst business reporting expanded, both at the Corporation and in the broader industry. BBC labour journalism was then largely displaced in the 1990s by highbrow economics reporting – exemplified by figures like Peter Jay and Evan Davis – which adopted a strong consumerist focus, and by more populist business programming, each of which formed competing bureaucratic factions within the Corporation. The chapter then goes on to describe how this shift towards more business orientated reporting was consolidated and expanded in the 2000s following the establishment of the Business and Economics Centre in 1999 and the appointment by Birt's successor Greg Dyke of the right-wing financial journalist Jeff Randall as the BBC's first business editor in 2000.

#### **Economic crisis and the birth of BBC business journalism**

During the social democratic period, business reporting on BBC News, whether on radio or television, was shared by the Corporation's economics correspondents and its industrial or labour correspondents. Whilst the former were responsible for reporting on macro-economic policies and indicators, the latter, though nominally responsible for covering business and industry, in practice largely reported on actual and potential industrial actions. As we shall see, this pattern of reporting continued well into the 1980s, only shifting significantly as the neoliberal restructuring of British society took hold towards the middle and end of that decade. Mark Damazer, later a powerful editorial and managerial figure at the BBC, recalls:

In my early career the economic-industrial patch was dominated by relations between the government and the trade unions; most evidenced by industrial actions. So there was a lot of focus on strikes [and] manoeuvres before strikes.<sup>3</sup>

The industrial and labour correspondents, who would later dwindle in numbers before eventually disappearing altogether, were in the '70s and early '80s 'central to the domestic agenda'<sup>4</sup> and 'among the key specialist journalists';<sup>5</sup> 'king of the road' according to former BBC labour correspondent Nick Jones.<sup>6</sup> Labour and industrial correspondents were prominent not only in broadcasting, but equally in the private press. Indeed, most of the BBC's industrial and labour correspondents were former newspaper journalists. Their status relied upon their knowledge of, and contacts in, the trade union movement, which was then still capable of exerting significant disruptive power, as well as exercising a greater degree of political influence via the Labour Party. Labour/industrial correspondents, as one former correspondent explains,

covered both the unions and the Labour Party to some extent, so we crossed over into politics, looking at things really from how the unions were inputting into either the Labour government or what the Labour Party was doing. (John Fryer)<sup>7</sup>

At the BBC, labour and industrial correspondents did some reporting on business,<sup>8</sup> and, as one former BBC industrial correspondent emphasises, 'went out of our way to make sure that we had our contacts with both sides [of industry]'. Nevertheless, reporting was 'very heavily weighted towards union stuff'.<sup>9</sup> 'We were sort of the strikes correspondents really,'<sup>10</sup> recalls John Fryer, who was labour correspondent and then editor at the *Sunday Times* during the 1970s before joining the BBC as industrial correspondent in 1982. The focus on 'strikes and labour unrest and labour bargaining and pay bargaining,' the BBC's veteran business broadcaster Peter Day recalls, was then 'the only way of reporting business in a way'.<sup>11</sup> Similarly, Richard Tait, a former editor of the *Money Programme*, comments that: 'Business journalism as such, particularly in broadcasting, was really in the 1970s about industrial relations. Let's be frank about it [...], there was virtually no other business journalism.'<sup>12</sup> Commenting specifically on radio broadcasting, former BBC business journalist Tom Maddocks recalls:

There was no Channel 4. No ITV coverage. There was IRN [Independent Radio News] which I'd come from with LBC [London Broadcasting Company], which did daily business coverage, but that was London area only. So LBC and IRN were the only thing that was doing daily business, and throughout the day. Otherwise all there was was pretty well the *Financial World Tonight* [on BBC Radio 4], plus a few paragraphs on the FT index on the *One O'Clock News* or something. And the FT index and what has happened to the pound and a few other things on the *Six O'Clock News* on Radio 4. And that was practically all the works. So if the Financial Times Index, as it then was, had crashed through the floor it would have been on the news. But there would have been no other proper business coverage.<sup>13</sup>

It is important to note that this pattern of reporting – which reflected the prevailing 'news values' and a particular allocation of resources and division of labour within media organisations – did not entail a partiality towards the interests and perspectives of organised labour. On the contrary, sections of the private press which shared this structure of reporting were vehemently anti-union. Moreover, as contemporary scholarship shows, the output of the BBC tended to adopt the perspectives of the owners and managers of industry, even if the attention was overwhelmingly on the actions of workers and trade unions. As we saw in previous chapters, reporting on industrial relations in this period was widely criticised. The BBC – and the news media more broadly – came under criticism from numerous quarters; principally academics and trade unionists, but also industrialists and business lobby groups. The Annan Committee on the Future of Broadcasting referred in its 1977 report to the evidence of systemic anti-union bias in news programmes submitted by academics, and its muted criticisms led to a modest increase in the resources the BBC allocated to its reporting of business and industry. At that stage it employed a single industrial correspondent for radio and another for television – John Hosken and Ian Ross respectively – as well as two economics correspondents who also covered radio and television separately – James Long and Mark Rogerson. Following the publication of the Annan Report, the Corporation appointed the *Guardian* journalist Martin Adeney as a labour relations correspondent for television, and Peter Smith as its business and labour affairs correspondent for radio. In 1979 it also appointed Dominick Harrod to the new post of economics editor for BBC Radio. A former *Telegraph* journalist, Harrod, who had been the BBC's economics

correspondent for much of the 1970s, returned to the Corporation following a brief period as Director of Information at Dunlop Ltd.<sup>14</sup>

As we saw in Chapter 2, Annan's specific recommendations on the 'reporting of industrial and commercial affairs' did not ultimately focus on the representation of industrial conflict. Instead the Committee focused in on what it described as 'a more fundamental shortcoming', namely that 'other aspects of industry or commerce and the world of work as a whole are inadequately covered'.<sup>15</sup> The BBC and ITV's coverage of business and industry was described as 'dingy and unimaginative' and Annan recommended that the broadcasters better represent 'the vigorous competitive life at all levels in industry... and the fascinating social structures and manufacturing processes that go to make industry work'.<sup>16</sup> This criticism tallied with the dominant approach that had been taken by the BBC's Consultative Group on Industrial and Business Affairs, which had been set up in response to Annan, and which won the Committee's approval.

Though the world of business and industry was thought by Annan to be poorly served by broadcasting, there were exceptions. One programme specifically commended was BBC Two's *The Money Programme*, first broadcast in 1966. Richard Tait, who worked as a producer on the programme in the 1970s, recalls:

The *Money Programme* when I joined [...] in '74 [...] didn't spend much time actually on industrial relations, because its job was to be different from that. The main news programmes are doing Jack Jones and Hughie Scanlon and Barbara Castle and fuel strikes coal strikes and dock strikes and the car industry, and there's an awful lot of that on the news. And I think one of the things the *Money Programme* set out to do was to try and get beyond that and actually do some reporting on business. And we did.<sup>17</sup>

Another notable exception was the *Financial World Tonight*, which was spun off from Radio 4's *The World Tonight* in the early 1970s. According to Peter Day, who worked on the programme, *The Financial World Tonight* became 'a very pioneering quarter of an hour out of *The World Tonight*', and 'covered stuff that [...] the BBC hadn't considered: stocks, share prices and things like that, company reporting'.<sup>18</sup> Tom Maddocks, a former presenter on the programme, describes it as a 'sort of radio equivalent of the City pages of the papers'. Whilst *The Money Programme* in the late 1970s and early 1980s gave 'a very successful populist touch to business coverage' and had a fairly large audience thanks in part to its scheduling alongside mandatory religious programming, *The Financial World Tonight*

very much tended to be for people who were already interested in business and the financial markets. So it was not aimed at explaining the business world to Joe Public. It was much more aimed at keeping listeners who were following their own stocks and shares or who may work in the City.<sup>19</sup>

*The Financial World Tonight* is particularly notable given the circumstances of its genesis. The programme was founded in 1971 by Vincent Duggleby, then Deputy Editor of *The World Tonight*, when a postal strike affected the City of London.<sup>20</sup> Maddocks, who later joined the programme, says:

My impression was there was *The World Tonight* and then with all the, you know, you are not born then, but the horrors of 1972-3, the miners' strike and three-day weeks and all the rest of it, and the oil price explosions, which was all very dramatic lead to the requirement for more business and financial coverage at that time.<sup>21</sup>

Thus industrial unrest and economic crisis, which many interviewees suggested had 'crowded out' business news, also led to the development of some influential business programming at the BBC.

Economic and business news, and market news, City, financial news, became more and more important during that decade, because in '75 the pound fell below \$2 for the first time and that became the slipping pound and the crisis in the '70s became a great story. [...] So the economy became a great big story. And then there was the survival of business in the wake of these disastrous sort of ways of running the economy; [that] became a good story in its own right. [...] [The BBC] were just beginning to wake up to

the fact that business was a really interesting subject because the City was getting more and more important. (Peter Day)<sup>22</sup>

The establishment of *The Financial World Tonight* was followed three years later by the setting up of the Financial Unit within BBC radio, supported by funds previously paid to Reuters and Exchange Telegraph for stock exchange reports for the World Service.<sup>23</sup> Ed Mitchell, who joined the unit in 1978, recalls:

Increasingly, headline news was being made by business and financial news – oil prices, sterling crisis, financial scandals, big takeover bids and so on. In response to this the BBC formed the Financial Unit, a small team of economic ‘experts’ who would provide the rest of the corporation with output and advice. There were already specialist programmes such as *Moneybox* and *The Financial World Tonight*, but the unit was more like wholesale news for any takers – a sort of money sausage factory.<sup>24</sup>

The precursor to the Financial Unit, according to its former editor James Long, was a financial news service provided to the BBC by staff of a financial weekly called *The City Press*:

BBC Radio, suddenly decided that they wanted to have some City coverage for the first time. So they hired *The City Press* to provide it. It was for the *PM* programme and the idea was that every week day we would do a five minute slot at the end of the *PM* programme down the line from a remote studio in the Guild Hall.

*What year is this?*

This was 1971/2. So this is right back at the start. Until then, quite literally the BBC had no formalised City reporting. It has an economics correspondent, who was Dominick Harrod at the time. But it didn’t have any other City input. It was bizarre in so many ways, because there we were two of us at a time, we did a quick five minute report.<sup>25</sup>

James Long later joined the Financial Unit when it was formed in 1974. Its main piece of output was a ten minute ‘summary of the main stock bond, currency and commodity markets’ for international commodity traders for the World Service, but it also provided a regular financial report for the *Six O’Clock News*.<sup>26</sup> Tom Maddocks explains:

They were covering business news and financial updates for all BBC outlets. So there was a thing called GNS, general news service, and if there was a big financial/business story, it was their job to provide coverage for the World Service or local radio or radio or anybody who wanted it. So if it hadn’t already been arranged they might do two way interviews. You know, if local news wanted a focus on the company that was reporting that was based on their area then the request would go to somebody in the Financial Unit to see if they would be willing to talk to the local radio station or whoever it was. And then they would provide copy on business developments. Again say company stuff, if appropriate, takeovers. They would write and provide that kind of copy for any BBC outlets. But they also did regular slots on the World Service during the ‘80s as well. And that was a big part of the Financial Unit work, to do stuff for the World Service. So they did daily bulletins for the World Service, which were quite detailed at that stage covering commodities markets. Because obviously there were parts of the audience of the World Service that were deemed to be very interested. If you are in parts of Africa or parts of... other parts of the world with commodity-based economies then what was happening to the gold price, or rubber, or anything on the London Metal Exchange, or wherever else these things are being traded in various different London exchanges – that was a key way that people anywhere in the world could find out daily prices on these things which they didn’t necessarily get from elsewhere.<sup>27</sup>

The Financial Unit was also closely associated with BBC Radio’s financial programming, as Richard Quest explains:

My first job is in the Financial Unit working on... there were two [sides to it]. This is ‘87, it is in radio, it’s in Broadcasting House and there are two sides to it. There is the

*Financial World Tonight*... Three sides actually. There is the *Financial World Tonight*. There are those working on *Moneybox*, which I never did. And there was the financial news service, which served the network, Radio 4 and the World Service. And your rota would alter you between financial news and the *Financial World Tonight*. And that was all at BH, at Broadcasting House.<sup>28</sup>

Though still a small operation compared to the BBC's later business output, the Financial Unit slowly expanded in the early- to mid-1980s. Mitchell, who headed the news side of the unit whilst Vincent Duggleby headed programmes, writes that: 'Business and financial news was increasingly topping the news bulletins,' in the early 1980s and 'the Financial Unit was asked to supply a daily three-minute business slot on lunchtime television.'<sup>29</sup> It was assigned two chief sub-editors and two senior producers in 1984 and two more producers the following year.<sup>30</sup>

Though in retrospect the coming to power of the Thatcher government in 1979 represented a major turning point in British politics and society, most interviewees did not identify this as a significant benchmark in the development of BBC business journalism. The early 1980s were generally regarded as more or less continuous with the 1970s; characterised equally by industrial unrest, industrial decline and ever more so by job losses. Thus the same journalistic practices predominated.

[In] the Thatcher years, we covered stories because they were conflict stories, it was a strike or it was a job loss story. We used to really cover a takeover [...] [not] from the perspective of a business event: why that company was taking over that company. It was done as: that company is taking over that company therefore that factory will close and that number of jobs would be lost. (John Fryer)<sup>31</sup>

In those early years of the Thatcher government [...] of course the strikes were so important and were so... it was such a confrontation and these were catastrophic events, I mean, the steel industry, the car industry. These were momentous moments, momentous strikes, and culminating of course in the miners' strike '84-5. (Nicholas Jones)<sup>32</sup>

It was all about industrial disputes or the decline of British Leyland, or closing steel works. That was the business news. And the way of approaching it was, you know, the company says this [...] and the head of the union [...] says that. (Iain Carson)<sup>33</sup>

Into the '80s it was still rather difficult to get them to lead with a business story, for example. The news judgements of the traditionalists in both the television and radio newsrooms were still very based on the old style of desk bound thinking. (Peter Day)<sup>34</sup>

In this understanding, the early- to mid-1980s can be understood as the latter part of what we might term 'the long 1970s', with the miners' strike of 1984/5 bookmarking this period and representing the high water mark of labour and industrial journalism. By contrast, however, Richard Tait suggests that a more subtle process of change had already taken hold.

I think they began to change after Margaret Thatcher's election victory in '79. I think they began to change quite rapidly after an initial period of disbelief as to what was going on. I think certainly the BBC began to employ some rather good journalist to analyse and look at these issues and you began to see the dominance of the industrial editors [decline]... [...] Although there was the miners' strike which a huge industrial relations story and the battle between Scargill and Thatcher, if you like. But that was always a mainstream story. That became a political story. [...] But if you look more broadly I think the BBC... for example Will Hutton. Hutton's arrival as the economics and business specialist correspondent for *Newsnight* was a very important move. [...] Will was a really interesting man. He'd actually worked for a stockbroker. He'd been to [the private business school] INSEAD. He'd studied economics at university. So in '83 he arrives and he's got a very analytical view of business. [...] I think business stories became more important. Economic stories became more important and I think with the arrival of people like Will Hutton we got a bit better at doing them.<sup>35</sup>

Hutton originally joined the BBC in 1977, having spent the previous seven years at the London stockbrokers Phillips and Drew, a firm which was later subsumed by UBS and which at that time also employed Paul Neils, according to Tait, 'the first sort of television economist'.<sup>36</sup> Hutton's appointment as Economics Editor of *Newsnight* followed a five year period at the BBC during which he worked on *The Money Programme*, *The Financial World Tonight* and *Panorama*. Hutton himself remembers his appointment to *Newsnight* as having been regarded as a significant development at the time: '*Newsnight* having an economics editor in 1982 was a really big step. Gosh, you know, that's innovative, that's path breaking.'<sup>37</sup> The appointment coincided with other significant innovations.

In 1982, the BBC began a long process of integrating and expanding its coverage of business and industry. Martin Adeney (who later became an in-house lobbyist at the chemical company ICI) was promoted from his position as Labour Relations Correspondent to become the BBC TV's first Industrial Editor. Adeney recalls:

[T]he then editor of BBC TV News, Peter Woon, asked me to become the BBC's first Industrial Editor with the aim of running a collegiate team of three correspondents to cover economics, business, industry and labour in an integrated way. We went out of our way to encourage business to talk about itself, not always with success.<sup>38</sup>

Business programming was also expanded in this period. In February 1983, BBC Radio began broadcasting *In Business*. According to its long standing presenter, Peter Day, 'the first series [of the programme] was commissioned by Radio 4 after BBC governors were badgered at a "Meet the BBC" meeting to recognise that there was a lot more to business than the City.'<sup>39</sup>

### **A declining beat and a new buoyancy**

A number of key events loom large in BBC business journalism in the 1980s. Doubtless the most prominent as a news event was the miners' strike of 1984-5, after which trade union power, and with it industrial and labour reporting, went into decline. Another perhaps equally important event for our purposes, albeit one not as deeply engrained in political memory, was the Wapping dispute of 1986/7, which radically diminished the influence of organised labour in the media industry and conversely augmented the power of News International in particular and the large media corporations in general.<sup>40</sup> Central to the final defeat of the miners and the print workers was a potent alliance of neoliberal politicians, the police, the deep state, media corporations, public relations professionals and private propagandists. Alongside these two historic defeats for organised labour, are a second set of events particularly significant for our purposes: the deregulation of the City of London – the so called 'Big Bang' – and the privatisations of publicly owned industries and utilities. Iain Carson, who joined the BBC from an independent production company, comments:

The unions were in retreat, manifestly, during and after the dispute [...] and you had this upheaval in the City and this explosion of what they thought at the time was popular capitalism. [...] So these were big things that happened and I'm not sure I can trace the logic, but they did shake things up.

Together these events and policy measures reshaped the political economy of Britain and with it the BBC's reporting. The outcome of the miners' strike and the Wapping dispute resulted in a definite shift in journalistic value and practices at the BBC (and beyond).

I think when it finished the appetite for more strikes, as it were, and covering stories from a strike perspective quite obviously fell away. We were all exhausted and viewers were exhausted. What more could be said really? [...] So when Wapping came along a bit later, and it was another defeat for an enormously powerful group of unions in Fleet Street (using that term generally), the general perception around, not just at the BBC but generally, was that the unions had had a massive set back and that they just weren't the same sort of story. [...] I think even more than the miners' strike the Wapping dispute changed things hugely. We had two people really who were covering a beat that was declining. (John Fryer)<sup>41</sup>

I left [industrial reporting] in '88 because there was just no appetite after the mine workers were defeated, the print workers were defeated. The days when a union could call out workers on, and this is the key point, when they could call them out on a strike which was indefinite in length. That was the moment, you know, the miners and the print workers. They were the last of those all out strikes. (Nicholas Jones)<sup>42</sup>

After that well they [the BBC] didn't even have a labour correspondent, it became industrial correspondents and then they faded away and became business correspondents. (Peter Day)<sup>43</sup>

The defeat of the miners and the print workers, consolidated by the introduction of restrictive legislation, represented landmark political victories for big business, and whilst union power went into decline, the power of finance meanwhile increased markedly, with City interests assuming an ever more dominant role within policy-making. Having successfully lobbied for a degree of deregulation under Heath, and an immediate end to exchange controls in the early months of the first Thatcher government, what scholars have termed the City/Bank/Treasury nexus<sup>44</sup> now oversaw the restructuring of London's financial markets. 'Big Bang', as this set of institutional and organisational changes are known, modernised the technological infrastructure of the London Stock Exchange, abolished minimum commission charges, ended the distinction between 'jobbers' and stockbrokers, and opened up the London Stock Exchange to new institutions. As Talani notes, it 'represented the final stage of a process which had already begun in the mid-1970s'.<sup>45</sup> 'Big Bang', according to Talani, was

a further step in the process of de-specialization and concentration of financial institutions. [...] [T]he big groups, mainly linked to the clearing banks, were able, by acquiring Stock Exchange firms, to offer services grouped into banking (traditional finance and corporate advice), securities (equities and debt), capital markets and investment management [...]. The merging of commercial and investment banking allowed clearing banks to strengthen their position as middlemen, a position historically defining the City's predominance in the world financial markets. Consequently, the reforms increased the economic and political power of the City's big institutions in the domestic context as well.<sup>46</sup>

In preparation for Big Bang, the Bank of England and the BBC arranged for an exchange of staff between them for six month secondments. This resulted in the BBC sending the head of its Financial Unit, Ed Mitchell, to the Bank of England (which in the event did not reciprocate).<sup>47</sup> Mitchell writes:

In the mid-eighties the City of London was on the verge of profound changes in its structures and regulations. It seems the Chairman of the BBC and the Governor of the Bank of England had met for lunch and, presumably over brandy and cigars, decided that it would be a jolly good idea for the two institutions to get to know each other better.<sup>48</sup>

In his account of his time at the Bank, Mitchell makes no effort to disguise how thrilling he found his time at the heart of corporate-state power:

It was absolutely riveting to be at the Bank at that time. I was given an office of my own just down the corridor from the Governor, Robin Leigh-Pemberton. I also had my own peg in the toilet, a hand towel with my name embroiled on it and shoe-cleaning equipment – only black polish, naturally.

The deal was that I had access to everyone, everywhere and every meeting on condition that I did not report on anything. For a journalist, this was unprecedented.

I was invited to sit in on all the Bank's committees that regulated the markets in commodities, precious metals, bonds and money. [...] For a financial journalist it was pulse-quickenning to watch the Bank's dealers intervene in the market... [...] I was also invited into the Holy of Holies, known as 'Books' – the 11am meeting between the Governor, the Executive Directors and the department heads in the ornate, panelled



Court Room. [...] I could go down to the vaults and stare at several hundred million pounds worth of gold bullion.<sup>49</sup>

Mitchell's arrival at the Bank of England was on the very day that the regulatory reforms took effect: 27 October 1986. Whilst BBC Radio's financial news editor was staring at gold bullion, other major social changes were afoot which, in combination with Big Bang, would gradually reshape the BBC's economics and business reporting. By the time of Big Bang, the Thatcher government had already privatised Cable and Wireless, Jaguar, British Telecom, British Aerospace and British Gas; the latter of which was the largest ever share issue – famously promoted by the Tell Sid campaign – and with the re-election of the Conservative government in June 1987, the privatisation programme continued apace.

Big Bang and the privatisations were central to the perception that the Conservative government had ushered in a new era of popular capitalism, transforming Britain into a shareholder democracy (a claim interrogated in the following chapter). BBC TV's then Economics Correspondent, James Long, recalls the editorial pressure at the time:

Big Bang morning, I remember. I was sceptical of Big Bang and I actually felt slightly foul of my news masters because I said, 'Look, I think if you are going to do Big Bang you don't just do it by coverage of the dealings rooms, the excitement and all those things [...]. This is one moment where you need to do some sensible futurology and look at how this might turn out. I found no appetite for that [...] and I found myself obliged to do a sort of almost uncritical piece saying, 'What a breakthrough, wonderful moment for Britain.' Which you could argue it was in some ways. You could also argue it laid the seeds for the most appalling series of events in the history of finance. But that idea, the buzz of the dealing rooms, all that stuff. The privatisation programmes too, [...] the whole news machine just loved those, the idea that the ordinary man in the street was going to be brought into the share owning plutocracy. And what a load of crap that was.<sup>50</sup>

With the restructuring of the financial sector and the privatisation of publicly owned assets, the broadcasters significantly expanded their coverage of business and finance. As Kinsey notes, Big Bang was met with an 'explosion in financial broadcast journalism'.<sup>51</sup> Martin Adeney, then the BBC's industrial editor, writes:

As the eighties proceeded the landscape continued to shift. The impact of privatisation, at first derided by the chattering classes but quickly followed by a rush to get into each new issue in the expectation of guaranteed windfalls, made shareholding respectable again, and business performance a matter of personal interest. In parallel the electronic revolution and sharper competition saw a great explosion of broadcasting and business coverage.<sup>52</sup>

Nick Jones recalls a feeling of 'buoyancy' in newsrooms at the BBC: 'there was a sense that the country was on the move and that we wanted to reflect this.'<sup>53</sup> Similarly, Peter Day, describes 'an awakening feeling':

Things like privatisation [...] pushed company and economic news more and more into prominence. [...] The development as a story, as a worthwhile subject, the marketplace, and privatisation, and people owning shares, and what's happening to my... These sort of fruits of a developing consumer class if you like.<sup>54</sup>

'After the Big Bang in the City,' another BBC business journalist recalls, 'there was just much more interest in share prices and economic stories and things like that. So it was an expanding area.'<sup>55</sup>

The expansion of business and financial journalism at the BBC was galvanised by the activities of its competitors. In 1987, the London ITV franchise, Thames Television, launched its weekly *City Programme* and the same year Channel 4 launched the lunchtime programme *Business Daily*.<sup>56</sup> A year later, the European Business Channel was launched in Switzerland with former *Newsnight* Economics Editor Will Hutton at the helm. Two former BBC business journalists recall:

I think that it was probably around the time of the first privatisations that they began to realise that there was an appetite for people to know more about business, that the BBC would be left behind if it didn't catch up on that. And there were some individual programmes that started up. Channel 4 had a lunchtime business programme that started up and then there was an outfit based in Switzerland. [...] And that I think was one of the things that told the BBC that they were missing out if they didn't give the public more about business. (Former BBC economics and business journalist)<sup>57</sup>

You cannot remove the umbilical cord between the changes that Thatcher brought in the mid '80s from the way these things filtered through to the late '80s, early '90s. So you have Channel 4 with its *Business Daily*. In Zurich you have this thing called the European Business Channel... (Richard Quest)<sup>58</sup>

In creating a more business-orientated media environment, Channel 4 was particularly influential:

There was a phase during which Channel 4 [...] did a lot of business coverage. They did *Business Daily* which was the pioneer which started in '87, which I was on, and also the *Business Programme*. But then they also did a sort of rolling breakfast for a time, which to be honest didn't succeed, but it did have lots of daily business coverage. So they were doing much more daily business coverage than the BBC was at that time. (Tom Maddocks)<sup>59</sup>

Channel 4 had launched something called *Business Daily*, [and] had a whole series of business programmes. It was the late '80s, it was popular capitalism, the privatisations, Big Bang. There was generally more interest in the City and industry stories and the old traditional union stories were even then becoming much thinner on the ground. (Rory Cellan-Jones)<sup>60</sup>

The company behind Channel 4's *Business Programme* and *Business Daily*, Business Television Ltd, was subsequently bought up by Broadcast Communications plc and subsumed into the television multinational Endemol. In the 1980s it was based at Limehouse Studios, a project of the Thatcher government's Docklands Development Corporation, which would subsequently be displaced by the development of Canary Wharf as a new state-sponsored locale for international finance.<sup>61</sup> Iain Carson, a journalist at *The Economist* who worked on *The Business Programme* and *Business Daily*, explains the origins of the company:

Sir Nicholas [Goodison] [...], the Chairman of the Stock Exchange, he'd lobbied Channel 4 to set up a business thing. And they set up a weekly programme called *The Business Programme*. *The Economist* and the FT put in a joint bid to do this. There were several of us who had done quite a lot of television and I was going to front it. But then they gave it... to cut a long story short Channel 4 didn't like the arrogance of the FT/*Economist* bid and gave it to an independent company, but said to the independent company: 'You've got to get two big hitters, one from the FT and one from *The Economist*.' And so that was John [Plender] and I was the other. So we were the public face, along with an ex-BBC woman [Susannah Simons].<sup>62</sup>

*The Business Programme* was first broadcast in 1984 and according to Tom Maddocks was essentially 'Channel 4's equivalent of *The Money Programme*'. *Business Daily*, however, which was launched by the same team in September 1987, proved more influential: 'We were trailblazing. [...] Nobody else had done it before and nobody else thought it could be done.'<sup>63</sup>

A number of former BBC personnel were involved in Business Television Ltd. Susannah Simons, a former presenter on BBC Radio, presented *Business Daily*. Mark Rogerson, formerly of *The Money Programme*, was the programme's City Editor and Maddocks, formerly of *The Financial World Tonight* was its City and Industry Reporter.<sup>64</sup> Announcing the new programme in letters to British corporations in August 1987, its Industry Editor Iain Carson (who later joined the BBC) and its Planning Editor, wrote:

From September 22<sup>nd</sup> the team who brought you THE BUSINESS PROGRAMME will also be bringing you BUSINESS DAILY at 12 noon every weekday on Channel Four. This half-hour programme will be aimed at business people and those with an informed interest in business. Market research tells us that four out of ten executives have a TV screen in their offices. Our task is to make looking in on our half-hour both useful and interesting; as a way of picking up early the day's financial, business and economic news – all crisply analysed.

[...]

Obviously, the programme will provide companies with a unique platform to tell an informed, specialist audience about results, contracts or new products. To help us report on and analyse the world of business, we need your cooperation to plan our coverage.<sup>65</sup>

*Business Daily* was well timed and proved to be popular with business and finance:

It was the time of the Big Bang and there was a lot of interest in the City. Privatisation was just getting into full swing. There was British Gas, the Sid campaign and all that sort of thing [...] We were different from the BBC. Less polished, less smooth, grittier, so... And then Channel 4 launched a daily lunch time programme that became required – this was before Bloomberg and all that stuff – and we became required viewing in the City... (Iain Carson)<sup>66</sup>

The programme competed with the BBC's burgeoning financial output for audiences, but also for staff, and this helped foster a more business orientated atmosphere in British broadcasting.

There was a kind of internal battle for staff between the head of the company that made the *Business Daily* and *Sunday Business* programmes for Channel 4 and Vincent Duggleby who was running the Financial Unit at the BBC at the time. And between the two of them they were continually poaching each other's staff because there just weren't enough people to go around. And that was a reflection of the increased demand and interest in all of that. This is following Big Bang in the City and all of that sudden, massive new interest in everything to do with... particularly the City, finance, and looking ahead to the single European market. There was just a massive increase in interest in all that. (Pauline McCole)<sup>67</sup>

Another major competitor, albeit somewhat indirectly, was the European Business Channel. A Zurich-based pan-European satellite broadcaster, the European Business Channel 'was Europe's first daily business show, pretty much [...] and broadcast every half an hour a day, half an hour in English and then half an hour in German.'<sup>68</sup> It was established in late 1986 by the Swiss businessman John Winistoerfer with backing from Swiss corporations and some international finance. Having initially faced some difficulties attracting business journalists to the venture, Winistoerfer succeeded in recruiting Will Hutton from the BBC, who brought with him a number of former BBC associates. These included Hutton's close friend Paul Gibbs, with whom he had worked closely on *Newsnight* and *Panorama*, Ed Mitchell, the former head of BBC Radio's Financial Unit (who had since moved to ITN) and James Long, the BBC's former TV economics editor. The journalists were offered six figure salaries at a time when that was the going rate for FTSE 100 chief executives.

Hutton and Gibbs were both committed to a form of business journalism which would avoid the heavy City focus that dominated in the UK, and it was hoped that the resources of the European Business Channel and the distinct political economy of mainland Europe would offer opportunities to do so. The business strategy, according to Ed Mitchell,

was a good one: broadcast business news in English and German across Europe to high-spending, luxury-buying, decision-making professionals at a time of the day when there was no real competition and on a subject that allowed viewers to gain a competitive edge at the start of the day. It would pull in advertisers wanting to attract the hard-to-reach, so-called ABC1 demographic.<sup>69</sup>

In the event the advertising income could not cover the scale of the venture's operations and the EBC closed in 1990, but not without first impressing the new leadership at the BBC.

### Missionaries

The 'explosion' in financial reporting in the late 1980s coincided with the arrival at the BBC of John Birt. 'The men in suits were coming,' Ed Mitchell writes, 'the era of the accountants, "management" and "Birtism" was dawning.'<sup>70</sup> As we saw in the last chapter, John Birt was a committed neoliberal who would radically reshape the organisational structure and culture of the BBC. Its journalism underwent substantial changes during his period as Deputy Director-General and Director-General, and business journalism became a much greater priority. Some interviewees recall the change:

I was part of an influx of people [in 1990]. [...] [I]t was part of an expansion. It was a deliberate expansion. Now who was actually responsible for that? [...] I think that Martin Leeburn, and he was my first boss, had probably seen which way the wind was blowing. But I suspect that there was somebody far above him. [...] I suspect it was part of the Birtian Revolution, the Birtist Revolution if you like. (Former BBC economics and business journalist)<sup>71</sup>

Certainly in pure resources and into number of people and number of hours of output there was definite expansion in the Birtist time. Business correspondents posts were created which did not exist before. They didn't have business correspondents before. (Tom Maddocks)<sup>72</sup>

[Birt] comes along and he's determined: business news is going to be important. And that transmits itself right the way down the chain of command. [...] This is all part of the Birtian Revolution. [...] I think that everybody just knew that business news... *whether or not producers liked it*, they knew it was perceived to be important. It was one of the pillars, I can't remember how they did it, 'the mission to explain', and one of them was, or part of the Birtian philosophy was, business news. (Richard Quest)<sup>73</sup>

*You mentioned things coming from the top. Was this seen as part of Birt's reforms?*

Yeah definitely. The 'mission to explain'. Or the mission to confuse as we used to call it. To educate and inform. There was a real feeling that this was part of Birt's revolution. (Former BBC business journalist)<sup>74</sup>

The 'mission to explain' was in fact a phrase coined independently of Birt by his erstwhile philosophy of journalism writing partner, Peter Jay. But the concept is nevertheless closely associated with the highbrow, analytical journalism that Birt championed. Central to Birt's vision of journalism was the development of specialisms.

John Birt was right, I think, because the BBC strangely always relied on experts from other bits of media they trusted, you know, the *Financial Times* correspondent. And what John Birt did which was excellent was to bring... have our own experts and our own little centres of so called excellence. (Paul Gibbs)<sup>75</sup>

The BBC was becoming receptive to business partly because Birt and Ian Hargreaves, his Head of News said, 'Well look, you go to the FT or to the *Telegraph* or *The Times*, you know, they've got people who know about insurance, they've got people who know about manufacturing, they've got people who know about shipping. We need a lot more [expertise].' Birt must have had the budget to do it. So suddenly instead of this... Martin Adeney, John Fryer, two labour correspondents, one would be called industry editor, the other would be called labour. They were not business. They were gradually getting more and more business editors. (Iain Carson)<sup>76</sup>

In his autobiography, Birt writes that he and his team: 'vastly expanded the number of financial journalists' at the Corporation. 'It was exciting,' recalls one former BBC business journalist, 'Partly because it was growing and people were coming in from outside and so I suppose it did have a slightly different culture in that it was bringing people in from where ever – Thames TV, Reuters,

stuff like that.’<sup>77</sup> Birt’s deputy, Ian Hargreaves (himself recruited from the *Financial Times*) appointed Daniel Jeffreys, chief economist at the stock brokers Cazenove, to serve as the BBC’s first Economics and Business Editor.<sup>78</sup> The title of ‘editor’ at the BBC would generally have implied a role on a specific programme (to which BBC reporters and correspondents contribute). But this new post, by contrast, was one of four senior reporting positions. Jeffreys’s successor explains:

When John Birt became – before I was there – [as] Deputy Director-General, he established a structure in which there were four [...] what would have conventionally been called correspondents with editor titles who were supposed for that reason to have particular seniority, skills. [...] Since [then], needless to say the usual process of titular inflation has gone and therefore it’s devaluationed and editors are rather two for a penny, but they weren’t then. (Peter Jay)<sup>79</sup>

These editors,’ John Fryer recalls, ‘were elevated to a strata that we never had before, we never had editors like that before.’<sup>80</sup> They were expected to provide ‘leadership’ to journalists below them in the editorial hierarchy, but through setting the tone of the journalism rather than providing managerial oversight.<sup>81</sup> The creation of these new senior posts was one aspect of a broader organisational rationalisation and centralisation of editorial control. In business and economics journalism, a key aspect of this process was the creation of the Economics Unit.

Producers joined with correspondents [...]. So we had an economics team which had producers and a news editor, our own news editor and so on, in our own little unit and in fact I ran that when I stopped being correspondent. (John Fryer)<sup>82</sup>

The real change in the BBC’s reporting of economics had to wait for John Birt and John Birt’s creation of pools of specialists in ‘88, bringing together an Economics Unit. That was a huge change, and actually a very necessary one. And he did put the BBC onto a different basis, the BBC’s reporting of the economy onto a different basis after that. (Richard Tait)<sup>83</sup>

(This Economics Unit is sometimes referred to as the Business Unit, and sometimes the Business and Economics, or Economics and Business, Unit. To add to the confusion, the unit was the precursor of the Economics and Business Centre formed around a decade later, which is also referred to as the Business and Economics Unit and other variations thereof. For the avoidance of confusion, the unit created in the late 1980s will be referred to here as the Economics Unit, whilst the unit created in the late 1990s will be referred to as the Economics and Business Centre.)

The Economics Unit, created in 1989 ‘under the keen eye of John Birt’,<sup>84</sup> incorporated all the television correspondents covering business, economics and labour (and peculiarly also transport), as well as staff from the Financial Unit, BBC Radio’s Economics Editor, Labour Correspondent, Industry and Business Correspondent and a New York Business Correspondent. The latter was a new post proposed by Richard Quest, later a well known business presenter on CNN:

I come up with this report called, ‘A Proposal for a Sponsored Wall Street stringer in New York’, which I present to them in about February or March of ‘89. And it hits home because they’d been thinking along the same lines and they’re not going to have a sponsored business stringer in New York, they are going to make it a full correspondent. [...] They created this job and decided to make it a full correspondency, and I was given it. And my producer was a man called Gerry Baker who has now been appointed the managing editor of the *Wall Street Journal* in New York.<sup>85</sup>

By 1992, the Economics Unit housed an economics editor, a news editor, a senior producer, an organiser, a finance and city correspondent, five economics correspondents, a business correspondent, two business and industry correspondents, four reporters, six business journalists, two transport correspondents and a single labour relations correspondent. Its Economics and Business Editor, Daniel Jeffreys, who joined in January 1988, served only for a relatively short period before becoming New York Correspondent.<sup>86</sup> Jeffreys’s departure meant that in late 1989 the former editor of *Newsnight*, Will Hutton, having spent a period in Zurich, was ‘in the frame’ to succeed him. Hutton,

who had made a name for himself on *Newsnight* as a Keynesian critic of Thatcherism before leaving for the European Business Channel, describes himself as having been ‘a casualty of Birt’s arrival’:

The kind of journalism I was doing on *Newsnight* where I was, if you like, challenging the prevailing orthodoxy... I was a sceptic about privatisation. I was a sceptic about house price sales; about council houses. I was concerned about de-industrialisation. I was worried about the financialisation of the business sector – [that it] was actually advancing short termism. You know, those were the kind of pieces I did at my career at *Newsnight*. But actually it wasn’t... It was seen, you know: It would be much better if Will’s talents were deployed less obviously behind camera than in front of camera. I mean that was, I think, what the nabobs of the BBC thought after Thatcher’s [1987] election victory. So my going to set up the European Business Channel was part pushed in the sense that a BBC career... I’d done what I could do at the BBC and portions of it were going to get more and more problematic.<sup>87</sup>

Perhaps unsurprisingly given the circumstances of his departure, Hutton was not appointed the new Economics and Business Editor. The post went instead to Birt’s old friend, Peter Jay. ‘Peter got the job as Economics Editor of the BBC and he was always going to get it because of his relationship with John,’ says Hutton:

Look, he was one of the authors of monetarism with Sam Brittan, he was impeccably... in terms of economics you couldn’t describe him as being an automatic critic of the regime. And of course I would be. I was always going to be a higher risk appointment [...]. But of course, politics – a combination of politics, having the credentials, being in the right networks were of course what led to his appointment. But, you know, what’s new in the world?<sup>88</sup>

We encountered Peter Jay in previous chapters. In the 1970s he played a key role popularising monetarism as Economics Editor at *The Times* and the Associate Editor of *Times Business News*. During that time he also acted as an intellectual mentor to John Birt, bringing him into the orbit of the neoliberal movement and developing with him an influential critique of television journalism. Later, in the mid-1980s, Jay strongly influenced the Peacock Committee, the recommendations of which – especially the external quota – would transform the BBC over the course of the 1990s.<sup>89</sup>

Despite Peter Jay’s central role in popularising monetarism, with the notable exceptions of Will Hutton and Peter Day, interviewees showed little awareness of his politics. Indeed, one senior member of the Economics Unit believed that Jay was a leading Keynesian.

Jay was a member of the Labour Party. I mean actually a member. I think his wife was secretary of the local party where he lived in Oxfordshire. [...] And his dad had been a Minister and so on. So he was unequivocally and obviously Labour. You know, married to Margaret Jay – had been married to Margaret Jay, Callaghan’s daughter and all that. So there was no argument. It was pointless arguing about that. He took a Keynesian view of economics which was absolutely not what the Tory Party were about. [...] I don’t know what people in government thought, maybe you should speak to someone who was in government at the time [about] what they thought about the High Priest of Bloody Keynesianism popping up at least once a month and actually more frequently than that, every couple of weeks and with I may say a certain amount of natural authority saying there was absolutely no problem about [increases in public spending]. He was fantastically anti-Europe, which gelled with Thatcher, but did not gel with Howe and Lamont and the rest of them. So you couldn’t say that the BBC was some puppet of the government and Thatcherism because the person who was most prominently espousing an overall view of the economy and where it was going and what should happen opposed them on almost anything. He was implacably opposed to them. (Former senior editor)<sup>90</sup>

Peter Jay was interviewed for the business and economics editor post in 1989 by a panel of three BBC executives which included the future Director-General Tony Hall (who played a central role in the

expansion of BBC business journalism). He officially took up his new post on 1 January 1990. The job specification stated that the position was:

To be the BBC's principal broadcaster in the field of business and economics, and to lead a team of specialist correspondents in both radio and television. These correspondents' portfolios include specific aspects of the Unit's work (Economics, Industry, Labour, Business, etc.).<sup>91</sup>

Jay was told in a letter from Ian Hargreaves outlining his new role:

[Y]ou will be one of the four most senior broadcasting journalists in the BBC and [...] will be expected to argue about[,] shape and otherwise influence the entire coverage of business and economics by the BBC.<sup>92</sup>

Despite his seniority, Jay was employed by the BBC as a freelancer.<sup>93</sup> He was initially offered approximately £70,000 a year on the understanding that the position would not be full time and that the 'loss of earnings' he incurred could be compensated by outside writing and speaking.<sup>94</sup> This included receiving substantial sums from leading financial institutions. In 1992 he was offered £4,000 by Barclays, plus travel and accommodation, to speak at a dinner hosted by the bank, and in March 1999 the investment bank, Lehman Brothers, inviting him to speak at a Country Club dinner, offering him £2,000 in return for delivering a twenty minute talk and apologising for the low sum.<sup>95</sup>

Part of Jay's job, he recalls, was 'to report on air, radio, television, on the agenda of economics and business across the BBC's news and current affairs'.<sup>96</sup> His on air reporting was not well regarded. Peter Day, who emphasises his 'great respect for Peter Jay', remarks that 'he not the clearest sort of person', suggesting that he was 'out of his depth in the tabloid sort of medium that television has become'.<sup>97</sup> Similarly, John Fryer though impressed by Jay's intellect, questions his ability to communicate effectively with audiences:

Peter is one of the great brains around. I think everybody would agree with that. But he was only interested really in... You know, he famously said he had written the story in *The Times* only nine people would understand – you would have heard that story. That's Peter's view of the world really.<sup>98</sup>

Fryer is here referring to an infamous exchange between Jay and a sub-editor on the paper, and Jay's actual remark was in fact even more elitist than in Fryer's telling. Jay himself recalls:

A sub-editor on *The Times* came to me and said I don't understand this piece. And I regret to say I said to him: 'it's not intended to be understood by people like you. It's only intended to be understood by three people, two of whom are in the Treasury and one of whom is in the Bank of England'.<sup>99</sup>

This well known anecdote illustrates that Jay's high minded analytical approach to journalism was elitist not only in the sense that it was inaccessible, but also in the sense that it was orientated towards elites. Indeed, Jay himself was not only an impressive intellectual, but also an incredibly well-connected member of the British elite. His parents were both influential Labour figures and his first marriage was to the daughter of the Labour leader James Callaghan, whose government appointed him Ambassador to the United States (where he regularly played tennis with the heads of the CIA and the FBI).<sup>100</sup> Jay's papers, which are held at the Churchill Archives in Cambridge, contain his correspondence with a host of powerful figures in politics and the media<sup>101</sup> and his close connections with elites were utilised during his period at the BBC (1990-2001). One former BBC business reporter recalls that he

instituted [...] these lunches where he would invite a government minister or someone to brief us. And we would sit there. And these lunches were catered by BBC catering. So they had all these hot meals, hotplates and waiters and waitresses. And wine, huge amounts of wine! So some crony of his from the Tory government would turn up and pontificate with us and it was all non-attributable so none of us could use any of it. But basically we were all filling our faces and we used to rush off with the bottles of wine

and sort of hide one down our coat. Because of the huge numbers of them, nobody ever noticed.

[...]

*So who would be invited to these lunches then?*

It was everybody in the unit. There were like 20 or 30 of us there. We basically just went for the food and drink.

*And it was always a government ministers was it?*

It wasn't always government ministers, no. It might have been a top banker, or somebody Peter knew. And he did a huge number of people obviously. He had very, very good contacts.<sup>102</sup>

As this account suggests, junior members of the Economics Unit felt alienated by Jay's elitism, and found him to be remote. Most suggested that in terms of his brief to participate in the 'development of editorial policy', Jay had little impact.

Peter Jay was in his own little ivory tower and though [...], especially after Vincent Duggleby retired, he was the most senior person, he had absolutely no interest in influencing the wider BBC output. [...] As far as I can tell he had very little or no interest in people who worked beneath him and what they did. [...] He was so lordly. He couldn't talk to people at our level in anyway. Just couldn't, wouldn't, communicate. [...] I don't think he talked to us a lot about anything. He would very occasionally say that... you know, he would lay down, as it were, how he wanted something to be seen. He would say, you know, 'There's an issue about us possibly going into recession, when the figures come out next week I want you all to remember that this is only one figure.' He would give us that kind of steering very occasionally. [...] So I think we were not really affected very much, those of us who were junior in the department, by him being editor. (former BBC economics and business journalist)<sup>103</sup>

I don't remember him having any conversations with anybody about content and their style, although he was asked to as head of the unit and would produce stuff if required, but he wasn't actually interested in that. (John Fryer)<sup>104</sup>

[He] did nothing. He was literally like an emeritus professor. [...] In terms of his editorial oversight, there was very little of that. His only real influence there was in recruiting people in his image to the other economic correspondents. (Rory Cellan-Jones)<sup>105</sup>

One influential figure Jay recruited in his image was Evan Davis who would later succeed him as Economics Editor. Davis, who joined the BBC in 1993 as a radio economics correspondent, already had media experience from his appearances as an economics pundit for the Institute of Fiscal Studies,<sup>106</sup> an influential think-tank from where he had been seconded to the Thatcher government to work on the 'poll tax'. Davis considers Jay a 'mentor' and says his economics broadcasting in the 1970s 'fired me up to study economics'.<sup>107</sup> It was at the level of senior journalists like Davis that Jay appears to have had an editorial influence. 'Jay decreed a very rigorous, academic standard for the economics coverage for a start,' says one senior member of the Economics Unit,<sup>108</sup> whilst Davis recalls that he

had very demanding standards of economics correspondents at the BBC and believed they needed to have studied economics at quite a high level. And so he definitely believed in a very Birtist philosophy that specialism was good, knowledge was good and that expert assessment was important.<sup>109</sup>

Economic news, which became much more prominent in the 1990s under Jay's leadership, was firmly tied to the routine reporting and analysis of macroeconomic indicators such as growth, unemployment and inflation, and was led by figures (like Peter Jay and Evan Davis) who were thoroughly committed



to orthodox economic theory. 'Economics was the big thing,' says Davis, 'Adversarialism didn't enter into it. The value system was "mission to explain" journalism.'<sup>110</sup>

Putting economic reality together – to borrow from the title of Schlesinger's classic study – involved shaping reporting around information released by the state or large corporations – categories of sources which more or less defined whether an item is considered economic or business news. The former category consists of reporting and analysis shaped around newly available macroeconomic data; largely routine statistical releases from government departments and the Bank of England, but occasionally from private sector sources, for example building societies and retail consortiums. Such official and semi-official indicators strongly shaped news content in the 1990s:

Jay would say that everything that we did – I mean this is fair enough actually, I'm not sure it's really different now, although it's different in tone – everything should flow or be illuminated by a common vision of where we were; where the economy was. Was it growing? Contracting? Was unemployment going up or down? Was public or private spending... you know, what direction were they going in? [...] There was an element of the seminary in it. People knew that you couldn't do something because it was a 'good story'. (Former senior editor)<sup>111</sup>

Business news, meanwhile, was, and remains, shaped largely around the quarterly and annual results of public limited companies, product launches, takeovers and mergers, new procurement contracts and so on. The BBC's former Industrial Editor Martin Adeney, interviewed by Aeron Davis in 1998, estimated that business news 'was 85 or even 90 per cent driven by formal announcements or events,' with very little independent investigation.<sup>112</sup> The extent to which official sources of information are taken for granted as newsworthy by business and economics journalists is well illustrated by the following comments made by one interviewee during a discussion of the economics coverage prior to the 2008 financial crisis:

There were people who were talking about debt. I remember when Jeff Randall was the business editor of the BBC, which was just before Robert [Peston] came in, he would talk about debt quite a lot. People weren't really listening. Editors, you know, because there was no news story. [...] You hear criticisms [...] [from] left wing commentators about the BBC ignoring the 'privatisation of the NHS'. [But] it's quite hard to talk about a story on a day to day basis when something is so slow burn[ing] and so gradual. You have to kind of pick and choose your moments, and you get accused of ignoring something. Whereas when the Eurozone crisis was actually happening, there was something happening every day. [...] You know, bond yields would go up to a certain point, you know, bailouts were happening on a relatively regular basis. Governments fell in those countries. The European Central Bank would come out and say things on a regular basis, or have new policies, or a lack of policies, which was criticised. GDP in the UK would come out every quarter and a large reason for the failure of growth in '11, '12, '10, was to do with the Eurozone crisis. What I'm saying is that in the middle of it all there were news stories the whole time relating to it. (BBC business journalist)<sup>113</sup>

Central to shaping the routine and elite-orientated economics news agenda established in the 1990s was the news diary maintained by the Economics Unit (and its successor the Business and Economics Centre).

In those days there would be a daily news diary, all the stuff you knew was coming out, it would be gone through at the weekly news planning meeting, it may well still be the same, I have no idea. But at that planning meeting all the correspondents would be asked for their own ideas about what else they should be covering. And they'd then be a testing of the general appetite to see whether editors were up for that and whether it was worth spending the money on. (James Long)<sup>114</sup>

[T]he basis of any operation like that is you have a diary of events. So say they'd be Marks and Spencer's half yearly results on Thursday. You'd have economic statistics which tended to cluster within a couple of weeks and you'd get monthly and quarterly

ones as well. I mean the only quarterly ones we did were GDP because they always had revisions. And we had the unemployment [statistics]. They all came out at 9:30 in the morning. So the important ones we did were GDP, inflation and unemployment really. Then you'd have house prices indexes like the Halifax and the Nationwide.

[...]

[News and current affairs programmes] would go on a kind of weekly planning cycle, so we would go along and we would pitch them and say, 'Right, it's unemployment next week and it's going to be bloody awful and we've found someone in some project in Scotland where they're creating new jobs, or something's about to close. Or it's one year exactly since something happened and we can illustrate it with these interviews and talk to an economist. Do you want that?' And they would say yes or no. And then you'd 'sell' them the story. First of all it was diary based. I'd say most of it was diary based.

*And that's basically structured around statistics that are going to be published on particular days?*

And company results, yes. And company results. And [...] in economic terms there's, if you like, an international level to it as well, where you've got OECD reports and IMF reports and international meetings of crises of one kind or another and deadlines for new currencies to be introduced in particular countries, or whatever. But a lot of it was diary based, I would say more than half of it was diary based and probably still is. They might be slightly better at disguising the fact that it's diary based these days, but it still is. (Former senior editor)<sup>115</sup>

Speaking in 2012, the BBC's then Chief Economics Correspondent, Hugh Pym, confirmed this remarking: 'We are quite diary driven, you know, we have the employment figures, inflation every month, we have GDP every quarter.'<sup>116</sup> Another BBC business journalist also confirms that reporting remains strongly diary based, albeit with some more innovative reporting.

There are regular things in the news diary which I'm going to have to do. So today I am doing unemployment because the figures are out. But I've also been approached by one of the programmes to do a longer term thing [...]. So there's a balance between the stuff that I know is going to happen and the stuff which I'm interested in and which I think is important. Because you have an editorial role as well, you're not just given the stories, or doing stuff off the agenda, you know, you're approaching programmes, or being approached by programmes and being asked, 'Do you think this is interesting? Do you think this is important? Do you think we should be doing this? Can you do this?' And you're offering them stuff on the same basis as that.

[...]

*What are the other possible sources of stories?*

Well other news channels. The papers that have got good stories – which they break. So, you know, the FT might have something about oil prices being rigged or something like that [...] and some of that comes from longer term programmes and projects, most of which I don't work on. Things like *Panorama* and so on. Who do investigations and so on. (BBC business journalist)<sup>117</sup>

Most interviewees emphasised that with the appointment of the BBC's first business editor, Jeff Randall, and even more so his successor Robert Peston, BBC business journalism became much more active in terms of 'breaking' business stories. This, in practice, means that the key new information around which the 'story' is built comes not from routine public disclosure, but directly and exclusively to a BBC journalist, usually from a senior figure in the state or corporate sector.<sup>118</sup> Interviews suggest that this practice was rare in BBC business journalism before 2000. According to Rory Cellan-Jones, during the 1990s reporting 'was very reactive':

It was covering economic statistics, company news in a fairly short and slightly dull way for television news programmes. [...] Fairly humdrum coverage [...], you know, retail sales figures out, pictures of the High Street, presented with somebody from the British Retail Consortium, vox-pox shots, bish, bash, bosh. Not very ambitious.<sup>119</sup>

Evan Davis seems to confirm this picture:

Peter Jay and I didn't really operate through – and I followed very much in his mould – we didn't really operate through contacts giving us stories in the way that newspaper business writers would, or the way that Robert Peston works, for example. We were often just using data sources. We were doing stuff on the basis of our knowledge of those subjects and information that's released in the public domain.<sup>120</sup>

This 'humdrum coverage' was well suited to the post-ideological elite consensus of the 1990s, as was the technocratic bent of the 'mission to explain' 'values system'. This allowed the BBC to meet its remit to educate and inform, whilst remaining firmly within the boundaries of the post-Thatcherite neoliberal settlement.

### **Buccaneers**

'Why would you appoint Peter Jay your business editor?', the former BBC Director-General Greg Dyke asked me rhetorically in 2014, 'I mean, you wouldn't would you?'<sup>121</sup> Dyke, who as we shall see was instrumental in making the BBC more business orientated in the 2000s, believes that the BBC under Birt placed too much emphasis on economics at the expense of business. Peter Jay was officially appointed as Economics and Business Editor, but 'never did business' according to John Fryer. 'He did everything from an economic standpoint. [...] He did it from an economics point of view in the same way, I suppose, that we did it from a labour correspondent point of view.'<sup>122</sup> Peter Day even suggests that Jay's appointment led to the marginalisation of business journalism at the BBC:

Peter Jay came in and pooh-poohed business and said it was all economics and business was subjugate to that. And because he had such a reputation, they listened to that type of crap.<sup>123</sup>

Jay's strong focus on economics as opposed to business reflected his belief that the latter was merely one subset of the national economy. Though no more a critic of business and finance than he was of prevailing economic orthodoxies, Jay was sceptical of the idea that the BBC should practice business journalism, which he regarded as a partisan pursuit.

In my view there was one subject, which was the economic life of the nation. This included some macroeconomic issues, it incorporated microeconomic issues which might in various contexts be called business, or industry, or finance, or more or less whatever you like. But they were all subsumed for me in the compendious title of economics, or the economic life of the nation. [...] [But] Tony [Hall] became extremely keen as a matter of high strategy to develop something which in his mind he called 'business'; which he saw as including economics, but not as being included in economics if you follow me. Now these are highly semantic questions, but they have some practical consequences. My view was that the BBC, because of its institutional, constitutional, nature, was there to report to citizens essentially; not exclusively or predominantly through the eyes of either management, or of labour, or of government, or anybody else, but through the eyes of the citizen [...] and I considered that the best term for that was economics, or the economic life of the nation. [...] But if the [BBC] management wanted to call it business, well it was their prerogative to make that decision. (Peter Jay)<sup>124</sup>

Jay's views on the impropriety of business journalism, 'did not prevail'. 'Business Programmes people', who were separate from the Economics Unit, adopted an explicitly business-orientated approach, as well as a more populist style. This contrasted sharply with the high minded, analytical approach favoured by Peter Jay and to some extent institutionalised within the Economics Unit.

There were two very distinct moods to it [economics and business journalism in the 1990s]. There were the people who are working on the main news bulletins and then there were people who were working on things like *Business Breakfast* and later *Working Lunch*, who had far more of a... They had a much lower status in some ways, but more freedom. [They] were more creative frankly. A lot of the creativity was happening amongst those people who are slightly looked down upon by the grander folks who were doing the main news bulletins. [...] But there was a very conservative wing, which was the standard *Nine O'Clock News* approach. The whole place still works a bit like that. And then there were the more buccaneering, risk taking parts of the BBC, with much smaller audiences frankly. (Rory Cellan-Jones)<sup>125</sup>

The contrasting 'moods' in BBC business journalism in this period were connected with different personalities and separate bureaucratic structures:

In those days before Jeff Randall the BBC's business output was geographically separated. And I think that's quite significant because it meant that for instance where I worked, Broadcasting House, it was separate. There was one separate office for business programme radio output on Radio 4, so things like *Money Box*, *Five Live*. Then there was on a separate floor, the economics cluster. The newsgathering, what we called the newsgathering economics – which were people like Rory Cellan-Jones, Evan Davis, he was a correspondent at the time. And that was run by a guy called Martin Leeburn. [...] So there were separate baronies, if you like. So Leeburn ran the economic cluster. Alan Griffith ran the programme output. The radio, the cluster people, as we called them, the correspondents, they fed into, sometimes the, well mainly the radio news outlets like *Six O'Clock News* on Radio 4, all that kind of stuff, *PM*. And then there was another separate bit at telly centre which was business programmes like *Business Breakfast*, which was run by a guy called Paul Gibbs. And then at TV centre there was also the correspondents, the TV correspondents. (Richard Griffiths)<sup>126</sup>

The way it worked is there would be an intake process which would be all the correspondents and reporters and everybody who was heard on air or on screen. And they were managed in one way and had a management line which only really crossed at the output side at the level of Tony Hall at the time. And the output people were a completely different management structure. And they were the people who edited the news bulletins in radio and in television and ran programmes like *Working Lunch* when that started, and [*Business*] *Breakfast* and *Newsnight*, as well as all the TV bulletins, and the *Money Programme* actually was something that we worked with and provided people for. [...] So there was a pretty strict, well no, not a pretty strict a very strict, division between the two. And that again was part of the tension that Birt, as far as I understand it, intentionally built into the system. (Former senior editor)<sup>127</sup>

Business Programmes, which oversaw new output like *Business Breakfast* and later *Working Lunch*, as well as more established programmes like *Moneybox* and the *Money Programme*,<sup>128</sup> was established in 1990, initially with an editor, deputy editor, two senior producers and two reporters. *Business Breakfast*, a programme which 'fancied itself as catching all the City slickers on their way to work',<sup>129</sup> was particularly significant, and along with the creation of the Economics Unit, was *the* major innovation in BBC business journalism in the late Thatcher period.

[Before Birt's arrival] there was a radio Financial Unit. There were correspondents who covered industry and there was an economics correspondent. But there wasn't anything wider. And it was when a programme called *Business Breakfast* was launched that there was a bigger unit formed and a bunch of people recruited who were both reporters and specialist correspondents mainly from outside brought in as part of the whole Birtism thing, I suppose in that year, in 1989. So there was a big expansion then. (Rory Cellan-Jones)<sup>130</sup>

The BBC was expanding its business coverage. There was a culture within the BBC that nobody wanted to do business news because it was regarded as boring and niche. So

they tended to look outside for people to staff it and that was how I got in. I think it was right at the beginning of 1990 [...] when I joined. So it was still the Thatcher era at the time. But there was certainly a big expansion in the BBC's business coverage. There was this thing called *Business Breakfast* taking off. They were setting up a special Business and Economics Unit. (Former BBC business journalist)<sup>131</sup>

This is all part of the Birtian Revolution. At the same time [as establishing the Economics Unit] they create a new television business programme, *Business Breakfast* [...] That was a 22 minute programme which would start at 6:00 in the morning. Which funnily enough on its launch week got slightly scuppered because of a strike, but that's another matter. (Richard Quest)<sup>132</sup>

*Business Breakfast* was first broadcast in 1989 as part of BBC Breakfast News. It was overseen by Paul Gibbs, who was recruited from the European Business Channel to launch the programme. Gibbs recalls:

[Will Hutton and I] went off to Zurich together. We launched the [European Business] Channel. I thought it was doomed to failure. And then at the invitation of Tony Hall, who was then head of news I think, he said the BBC ought to be getting into more business and invited me back to edit and launch the BBC's first daily business show, which was *Business Breakfast*.<sup>133</sup>

[...]

*So when Tony Hall invited you back to the BBC, what was his brief? Can you remember how he described the job you'd have, what he said you'd be doing?*

What I was trying to do in Zurich. He'd seen the show. He really liked it. They realised it was interesting. They realised there was Europe. John Birt certainly wanted a business show and I have the herogram from him still [saying], 'Well done.' He liked it. He liked all business stuff. It was all good. Yeah, they realised [...] it had not been reported well and there had been a sea change. John Birt wasn't DG then. I think John Birt was head of news and current affairs, Tony [Hall] was his deputy I think.<sup>134</sup>

Richard Quest is just one of a number of interviewees who emphasises the importance of Paul Gibbs to the growth of BBC business journalism:

The big change came not with Thatcher or with the 'Big Bang' but with John Birt. [...] Birt and Ian Hargreaves came in and changed everything. Paul Gibbs was also key.<sup>135</sup>

Gibbs was given a brief 'not to do too much economics; to just concentrate on the micro.' This, according to Gibbs, meant 'gearing' the output towards 'entrepreneurship and investment and work'.<sup>136</sup> According to one interviewee, Gibbs brought 'the great key story telling skills' he'd learned working on 'the popular current affairs programmes of the '70s and '80s'.<sup>137</sup> Gibbs himself confirms this:

I just ended up telling stories. And it was a rich vein for business then because I thought it had not been told properly. So we did *Business Breakfast* which we knew was probably a professional City-type audience getting up, wanting a briefing in the morning, getting to work. [...] And we also have a lot of features, lots of which ran in news during the day – I mean they were picked up as news stories by some of the other bulletins.

In 1993 *Business Breakfast* was spun-off as an hour-long programme in its own right; part of an ongoing expansion of business journalism since Birt's arrival:

Suddenly *Newsnight* wants an evening business slot out of New York. The morning programmes want it. Everybody wants it because they perceive that that's what required and what's needed. And then [...] *Business Breakfast* goes up to an hour. I think originally it was six thirty-five, six thirty, to seven O'clock, and then it goes from six until seven. And that's all under the empire of Paul Gibbs. And I'm doing pieces for *The Financial World Tonight*. They've launched *Wake Up*... Well Radio 5 Live hasn't

quite come along yet. Radio 5 Live is coming along and they [then] launch *Wake Up To Money*. (Richard Quest)<sup>138</sup>

Gibb's 'empire', which began with *Business Breakfast* in 1989, expanded during the 1990s to meet the greater demand for business content from other parts of the BBC:

I started off being editor of *Business Breakfast* and then because of the expansion of BBC World News, which was competing with CNN, they wanted lots of business programming and I provided it for them for an amazing knockdown price. [...] World News wanted anything it could [to] fill the time and they were watching CNN and seeing all this City stuff, this shares stuff, and they wanted that, and I wanted it to be a bit better than that. But there was hardly any budget for it. So we did fall back onto probably too much City and stock market reporting than I would have liked. [...] I had so many programmes I became head of business television programmes. (Paul Gibbs)<sup>139</sup>

In 1994, a year after the expansion of *Business Breakfast*, the BBC launched *Working Lunch*, which, according to Gibbs, was 'really downmarket'.

Adrian Chiles, who hadn't presented anything in his life, came to me on work experience and I thought there was something about him. You know what I mean? A big smile. And we used very bold graphics, very primary colours [on *Working Lunch*] and it was definitely... It wasn't dumbed down; it was just made accessible. And it worked. There was one million people watching it every day, or something like that. Which for a midday audience was fantastic.<sup>140</sup>

The tone and imagined audience of the programme tallied strongly with the Thatcherite rhetoric of a shareholding democracy.

*Working Lunch* was created, which I think had two objectives. One was certainly to see how cheaply you could make such a programme. I mean honestly that was one objective. [...] And also it was playing to this kind of shareholder democracy thing, you know. [...]. There was an implication that people would be somehow tuning into *Working Lunch* at half past twelve, on a lunchtime on BBC2, shift workers when they got home, or retired people would turn on the television and see how their share portfolio was doing. (Former senior editor)<sup>141</sup>

The interview with Paul Gibbs supported this interpretation. Gibbs attributes the rise in business programming to the emergence of a 'shareholder democracy' and the fact that 'business [programming] comes quite cheap'.<sup>142</sup>

Though organisationally separate from newsgathering, the approach adopted by Gibbs in Business Programmes, nevertheless impacted on BBC news:

I had something like twelve different programmes running. [...] There was business report, world business report – they were all bulletins.

*Were these feeding into news?*

Yes they were part of the news wheel yeah. We would do three pieces, or five pieces, of business every hour and then we had various magazine programmes like the World Business Report, which came out of the New York.<sup>143</sup>

[...]

We'd go out and it would be the day that food production figures were coming out and we'd do a lot of stuff live on a farm saying how good or bad it is with lots of pictures and talking to farmers. And then the news correspondents who had to do the lunch time news, the *Six O'Clock News*, would run down and take all our pictures and stick them up in their reports. (Paul Gibbs)<sup>144</sup>

Interviews gave the impression that Gibbs's pioneering work in business programming was not only supported by the BBC hierarchy, but admired by many colleagues. One former BBC business

journalist described Gibbs as ‘a very entrepreneurial guy’ who ‘set up quite a thriving operation’<sup>145</sup> and Rory Cellan-Jones remembers *Working Lunch* as ‘a very risky and non-BBC venture [...] run by a kind of buccaneering guy.’<sup>146</sup> Interviewees spoke of BBC radio business programmes, which was headed by Alan Griffiths, in similar terms.

We weren’t all hired at the same time but it was by an editor called Alan Griffiths. He [...] hired me. He hired Declan Curry. He hired Katie Derham. And he hired Adrian Chiles. And probably some other people whose names I forget. [...] It was great because at that time, you know, the expansion of Five Live, because I did work on that, I edited *Wake Up to Money* for about a year, working with Adrian. And, you know, it was very much like a sort of start... almost like a small start up. [...] I remember Jenny Abramsky would come in and pop her head into the office in the mornings when you were doing the programme and say hi to Adrian. So, you know, there was a lot of energy at that time which I don’t think has really been replaced at the BBC frankly. I mean, we had News 24, I was part of the set-up team for News 24. It wasn’t really quite like Five Live was though. (Richard Griffiths)<sup>147</sup>

Radio 5 Live was another important element in the expansion of business journalism in the 1990s. Its launch in 1994 gave ‘a lot of programming time to fill in and part of the mix for Five Live was the commitment to financial and business news.’<sup>148</sup> In particular, it presented considerable opportunities to more junior reporters to develop business expertise, and as an outlet allowed for the more populist style that had been developed in Business Programmes.

### **Written out of national life**

Whilst business became increasingly prominent in BBC programming, business values became increasingly prevalent, and neo-classical economics came to dominate news reporting; organised labour meanwhile all but disappeared from routine reporting. In 1991, Nicholas Jones, the BBC labour correspondent from 1978 to 1988, lamented that

Labour correspondents once held prominent positions in the journalist hierarchy of most news organisations. Now they find they are being displaced by city analysts who, in their striped shirts, can be seen regularly on television making pronouncements which frequently go unchecked and unchallenged. Union affairs rarely impinge on the work of the new generation of business reporters. Even when major industrial developments involve substantial job losses, the implications are invariably assessed by specialists and advisers employed by stockbrokers, banks and city finance houses.<sup>149</sup>

Asked whether union affairs found their way into the BBC’s business and economics news diary in the 1990s, a senior editorial figure from this period responded:

Um ... Well... Well [...] [a trade union conference] went in the diary because there wouldn’t have been any point not putting it in the diary. And you never know, I mean one of the speakers might have been shot or something! And it wouldn’t have been good to turn up the next day and say, ‘Why the hell wasn’t that in the diary?’ You know, not the shooting, but the meeting, in the diary. So everything went in the diary and the diary would have been three or four pages of A4 closely typed in some kind of order of precedence. So it would definitely go in the diary. (Former senior editor)<sup>150</sup>

A former BBC business journalist remarks:

I’ve never thought about that but I think you’re right because we didn’t really cover unions. We never really spoke to them. You’d speak to business people, economists, and occasionally politicians, say for privatisation. And the union end of it would be handled by Peter Smith, or even the political guys, or Steve Evans. [...] No, our brief was really to talk to businesses. Maybe they felt if there was going to be a turf war we were never going to win covering the labour/political end of business, the workforce end. There were people who were already hanging onto that space and wouldn’t want to give

it up. So we were just there to do the interview with the chief executive of Pearson about the annual results and things they didn't really want to do.<sup>151</sup>

The division of labour within the BBC was such that business and economics journalists generally did not consider trade unions to fall within their remit, whilst labour and industrial correspondents found little or no demand for their skills and expertise amongst programme editors. One senior editorial figure from this period suggests that 'the BBC lagged institutionally [in terms of] the influence of the trade unions, in that it was equipped to deal specifically with them' for longer than other news organisations:

We had two industrial correspondents who were itching to get on and whose expertise and contacts lay very much in that area. It was not up to... you know the question of whether you would get rid of one of them or not... there would have been a real row about that. I don't mean necessarily within the BBC, but if you'd done that then the Labour Party and the union movement would have been on the BBC's back saying, 'You're writing us out of national life. There isn't anybody dedicated to following us.' Well we did have people dedicated to following them, who wanted to get on [the air]. [...] Eventually those guys who were industrial correspondents, [John] Fryer and Steve Evans latterly, would do all kinds of stuff that wasn't union related just to keep themselves busy really. And they'd go off and do films for *Newsnight* and *The Money Programme* and all sorts. Because there wasn't the appetite for union coverage or coverage of the union movement or what they were doing because it was considered to be less relevant. Across the piece, you know, without anyone saying this is not relevant. I don't think they were as Machiavellian as saying, 'Oh let's just keep these guys in these roles, but of course we'll somehow discourage anyone from broadcasting anything about what they do, about, you know, their beats.' It wasn't like that. If you were at a morning meeting at Television Centre and you said, 'Oh it's the annual meeting, conference, of the Transport and General Workers and the leader's expected to make a speech denouncing Thatcherite economic policy,' and you're talking to the people who are putting out the *One O'Clock News* in four hours, they'd say, 'And yes?' You know, that was the way it was. (Former senior editor)<sup>152</sup>

As noted in the previous chapter, with Birt's arrival in 1987 there had been what one former news and current affairs executive described as a 'brutal' 'coup' of senior figures<sup>153</sup> and 'a flock of early retirements' from existing staff.<sup>154</sup> In business and economics journalism, there followed six years later what Richard Quest calls a 'Night of the Long Knives' when Jenny Abramsky 'fired a lot of correspondents':

Before that time there had been a lot of old lag correspondents, is the only way I can describe them. I think John Hosken was one. Dominick Harrod was another. You know, they all had offices on the third floor. And pretty much in one day, or in a very short period of time, she fired the whole lot of them. This is how I remember it. Others may remember it differently.<sup>155</sup>

This event, which would have been in 1993, is more closely recalled by another former BBC journalist:

There was a sort of Day of the Long Knives where we all came in one morning and Dominick [Harrod] wasn't there, Peter Smith wasn't there [...]. They had gone. And we were sitting there thinking, 'Oh, where's Dominick gone? And Peter?' And they'd been kicked out. And then Chris Kramer came over from TV, he was head of news I think at telly and later went on to CNN. And the myth was he kept the engine running on his limousine outside Broadcasting House. And he came up, it was kind of 11:55 so we were all working on bulletins for 12:00 and this kind of stuff. He walked in, didn't seem to be aware that we might actually need to keep working and said, 'Right announcement to make. As you can see, we've made some changes. Dominick and Peter have gone. We clearly weren't meeting the requirements of the output and that's what we've done. Any questions?' And [...] Sam Jaffa said, 'In what way were we not meeting the



requirements of the output?’ And Chris Kramer said, ‘Wrong question Sam. Any more questions?’ And strangely there were no more questions and then he went away again.

*And that was it? They had left?*

Yeah. Gone after decades. [...] And it was quite a watershed, them shaking off the... But that was probably happening across the Corporation I guess. (Former BBC business journalist)<sup>156</sup>

This sudden departure of ‘old lag correspondents’ consolidated a shift in news values that can be traced to the end of the miners’ strike, privatisation, Big Bang and the arrival of John Birt as Deputy Director-General in 1987. A certain social democratic paradigm that had been institutionalised in BBC business and economics reporting had been displaced. ‘I think the way in which the news stories in particular were framed,’ Richard Tait comments, ‘changed from on the one hand the union says that and on the other hand the management say that, to a rather different series of considerations.’ ‘We maybe previously would have thought of labour and business as being two areas,’ another interviewee remarks. ‘And then it became business and economics.’

### **Taking business centre-stage**

On 6 November 2000, John Birt’s successor as Director-General, the millionaire businessman Greg Dyke, gave a speech to the annual conference of the Confederation of British Industry (CBI). ‘I am here this morning’, he told delegates, ‘to persuade you that the BBC under my leadership will take business more seriously than we have ever done before.’<sup>157</sup> He praised *Working Lunch* in particular as an ‘innovative’ programme, but claimed that mainstream news and current affairs programmes had ‘ignored or failed to understand the real business agenda’<sup>158</sup> and had too often assumed that ‘profits are easy to achieve and are automatically against the consumer’s interests’.<sup>159</sup> ‘At times,’ he said, ‘we treated it as an old-fashioned industrial relations story – we even dragged Red Robbo out of retirement for his views.’<sup>160</sup> Dyke said he was committed to ‘taking business centre stage in the BBC’<sup>161</sup> and announced a series of changes to the BBC’s business journalism. The editorial team responsible for the BBC’s online business coverage would be doubled, BBC News 24’s business output would be expanded, *Working Lunch* would be extended to one hour and a specialist business reporter would be appointed to *Newsnight*.<sup>162</sup> Despite the considerable growth in business and economics at the BBC over the previous 12 years or so, the BBC leadership remained of the view that business was too often ignored, marginalised or maligned. Under Dyke’s leadership, the existing business output was to be consolidated and expanded as part of a conscious effort to encourage audiences to identify with the interests and perspectives of business. Shortly before Dyke’s appointment as Director General, the BBC had established the Business and Economics Centre, a new bureaucratic cluster which incorporated the great majority of the BBC’s business and economics staff, which led to important changes ‘in in terms of the line and how the stories were pursued and the relevant allocation of resources, and a more structured way of doing things.’ (Richard Griffiths)<sup>163</sup> Until then, the different sections of the Economics Unit were geographically separate, with the radio reporters and correspondents in Broadcasting House, the television news and daily programmes at Television Centre.<sup>164</sup> Their consolidation in the Business and Economics Centre was overseen by the then head of current affairs, Tony Hall. Daniel Dodd, who had worked on the relocation of the News Department to the Birt’s ‘modern, purpose built, technically advanced’ News Centre,<sup>165</sup> was appointed to head the new hub of BBC business journalism.<sup>166</sup> The initiative was very much in the spirit of the earlier rationalisations of the Birt era, incorporating what were formerly (relatively) autonomous units into one space and under one organisational structure. The BBC’s coverage of business and economics – described as having been ‘all over the place’ by one senior editorial figure<sup>167</sup> – was consolidated in the new centre, which incorporated news gathering, headed by Stephen Chilcott, and Business Programmes, then headed by Paul Gibbs’s successor Grant Clelland, a former editor of *Business Breakfast* and *Working Lunch*.

So in organisational terms, I mean the story was there was a newsgathering department called the Business and Economics Centre. In fact the name was never clear. It was sometimes called the Business and Economics Centre and sometimes the Economics Centre, the Economics Affairs Centre. [...] At the same time as there being a

newsgathering thing there was also Business Programmes, who produced business programmes like *Business Breakfast*, a programme that was on around 6 to 7 in the morning, and *Working Lunch* came along. And these programmes had their own unit. And the point was to merge those units into one Business and Economics Centre, which is the one which exists now. So you had two separate... You had programmes and the newsgathering units and they combined. (Evan Davis)<sup>168</sup>

Compared with the resources the BBC had dedicated to economics and business journalism in the early 1980s, the scale of the new operation was vast. Daniel Dodd estimates that as head of the Business and Economics Centre he oversaw the work of some '160 journalists across domestic and international channels on radio, TV and the web'.<sup>169</sup> Pauline McCole, a BBC business journalist since the early 1990s, recalls:

[W]e had gone from being a few people in a small room in Broadcasting House to this ginormous department in Television Centre which by then incorporated all of the breakfast television production team, all of the *Working Lunch* team, all of the online service team, all the correspondents and reporters – who had been working completely independently as part of newsgathering were now subsumed as part of the Business and Economics Unit – including the production staff, producers and researchers for that team as well. The general news service team were all part of that. Ceefax was part of that team as well. It was a huge team of people working together who were in one giant room, whereas in the old days the Financial Unit would have been the equivalent of two cupboards. There were an awful lot of people working right across the BBC's output, including some World Service television personnel; they were part of the team as well that didn't exist of course in 1990 either. There was an awful of people working in one space.<sup>170</sup>

The incorporation of these various units into a single space brought with it greater communication and collaboration:

When we started out there was one big room we were all sitting next to each other but didn't really talk to each other. Radio didn't talk to television and they didn't talk to online. We were just sitting next to each other; or maybe we had one brief editorial meeting in the morning where we can exchange ideas more or less. That was probably around 1998, 1999. [...] What ended that was there was a deliberate policy by the BBC to develop what we called tri-media journalism. And we were seriously integrated as a whole department. So we created an editorial hub. [...] We were all sitting round one cluster of desks right in the middle of the room and we had structured it so that people who might be working with each other and exchange ideas with each other was sitting next to each other. [...] And the editorial and the planning meetings became fully integrated. (Former senior editor)<sup>171</sup>

This integration of 'editorial and the planning meetings' also entailed a strengthening of editorial and managerial control. Whereas at one time 'a BBC department ran itself more or less as individual fiefdoms', where a senior producer or editor enjoyed considerable autonomy, newsgathering became, in the words of one interviewee, a 'great big tentacle machine [of] which everyone is part.' (Pauline McCole)<sup>172</sup>

With the 'ghettos' or 'silos' (as they were variously referred to by interviewees) incorporated into one unit, business output was more widely dispersed across the BBC's output – the culmination of a trend that began in the late 1980s. The Business and Economics Centre not only pitched business stories to news editors, it also 'owned' particular slots which were allocated to business reporting.<sup>173</sup> These included the 6:15-6:30 slot on BBC Radio 4's prestigious *Today* programme, *Wake Up to Money* on Five Live and business slots on News24, BBC World and the World Service.<sup>174</sup> Stephen Coulter recalls:

What they did was they started to, rather than having a one hour slot for business programmes, they'd have a five or ten minute slot you see now with business coverage

on breakfast news for instance. And also on the main bulletins, on the 6 or the 9, or 10 as it is now, they'd start having their own proper business sections as well. So the idea was to take business coverage out of the sort of ghetto at six in the morning and make it a bit more mainstream.<sup>175</sup>

Jon Zilkha, head of the Economics and Business Centre, explains:

[W]e currently have the business slots within the news channel where we actually do decide the output of that, we can decide what goes in to those. [...] So there are parts of the output where we have direct control. For example the 6:15 slot on the *Today* programme, that is within... you know, we decide what goes into that. In discussion with the *Today* programme, but ultimately we put it in.<sup>176</sup>

Such slots were not necessarily imposed unwillingly on programme editors. According to Martin Greig, who appeared regularly on the *Today* programme in the 2000s, its then editor

Kevin Marsh was very, very tuned in to the new business agenda and very quickly said, 'Look, I want to expand the business output on the *Today* programme.' So at the time we did a six or seven minute slot at 6:15 in the morning and then we did another one at 8:30. Kevin was very clear and he said, 'No, I want to expand the 6:15 slot, I want to make it very much just a dedicated business slot so people wanting to hear business news on the *Today* programme know that they are going to get it at 6:15.' So that expanded to a fifteen minute slot. But he also introduced a specific slot at 7:20. He wanted to hear specifically from the Chief Executives, the movers and shakers in the business world. And so he specifically went out and devised a slot that would attract them onto the radio at that time of the day. And that was... at 7am companies and their corporate announcements to the stock exchange, could be results, could be whatever. And we very much used that 7:20 slot as a platform for them to come on and say, you know, 'We've just announced a billion pounds profit,' or whatever.<sup>177</sup>

The 'mainstreaming' of business news across the BBC, was part of Dyke's mission to bring business 'centre stage'. But, as Mark Damazer suggests, Dyke was very much in tune with the existing culture of the BBC leadership, which had been reformulated under Birt:

Birt, but more specifically Dyke, felt that there was insufficient business literacy amongst BBC journalists of all kinds. By which they meant that the number of BBC journalists who took an interest in business was too small for the comfort of an organisation with our remit and that something needed to be done to address that. [And] there was another agenda about whether or not we were intellectually sympathetic, in its broadest sense of the word, to an understanding of the problems of wealth generation and its importance. So that all was going on in the late 1990s and 2000s, I would say.<sup>178</sup>

Dyke was a former colleague of Birt's at LWT where he succeeded him as Director of Programmes. He then served in a number of executive roles in the private broadcasting sector and at the time of his appointment to the BBC was chief executive of Pearson Television, an executive director of its parent company Pearson plc, as well as Chairman of Channel 5.<sup>179</sup> He brought this private sector perspective with him to the BBC.

[Dyke] was a businessman himself. He came from ITV. He was used to commercial pressures. And he decided the BBC wasn't taking business very seriously and he felt that all the business coverage was just shunted into this one output early in the morning, *Business Breakfast*. (Mark Damazer)<sup>180</sup>

When Greg Dyke became director-general [...] he was extremely keen to 'big up', as my wife would say, business coverage. He personally, I think, had great experiences at London Weekend, discovered what fun it was, how exciting it was, how fascinating was, to be involved in business i.e. management and investment in business activity e.g. the London Weekend contract renewal and all that under Chris Bland's leadership. And he thought, (a) that all that the whole of that fun, exciting, important side of life is

underrepresented in the BBC's coverage and secondly he thought there was a prejudice against it. (Peter Jay)<sup>181</sup>

Dyke himself confirms that his business background was a significant factor in how he viewed the BBC's reporting.<sup>182</sup>

Evan Davis considers that 'business came into its own under Greg Dyke'.<sup>183</sup> The new Director-General appointed Mark Damazer, one of Birt's 'young lions',<sup>184</sup> to review the BBC's business coverage. 'I had gone to Wharton Business School for a six-week management top-up and came back not a hugely changed person,' Damazer recalls, 'But Greg asked me to have a look at business journalism and change it a bit.'<sup>185</sup> Damazer concluded from his review that

The number of senior BBC editorial figures who seemed to be able to have at least a broad understanding of what the main issues were in corporate Britain was too small and the level of sophistication of the discussion was too thin. (Mark Damazer)<sup>186</sup>

Whilst it was felt that the BBC's existing coverage of economics was strong – as symbolised by the presence of Peter Jay and Evan Davis – Damazer and other senior figures were of the view that business had been covered too much from the perspectives of consumers and that the BBC's output 'wasn't really reflecting the significance of shareholders and that it wasn't reflective of the broader range of shareholders.'<sup>187</sup> Dyke describes how he

used to joke with a lot of the guys there and say, 'Look, you still report business as if it's 1968 really. That somehow business is bad, profit is bad and non-profit is good really. I mean, I always joked that they saw profit as stealing from the consumer. Now if you worked in business you knew quite the opposite.'<sup>188</sup>

Evan Davis recalls:

Greg, and Mark Damazer supporting him, [...] felt that we had just got stuck on some habits that were just too unambitious for our business coverage and we needed to think of things like dot com stocks as being more like stories that we at the BBC cover [...] giving people a sense of the excitement around at that time.<sup>189</sup>

Two criticisms of the BBC's existing reporting seem to have been central; each related to the coverage of corporate mergers and acquisitions. The first was that company news focused too much on the impact which investments and divestments had on employees, without enough attention to the motives of the company involved. 'From Greg Dyke's perspective it [company reporting] was all being done from a rather uni-dimensional approach really,' John Fryer recalls.<sup>190</sup> Speaking to *Sunday Business* in July 2000, Damazer emphasised that the BBC must of course consider the impact companies have on employment, but 'must, must, must make the effort to [...] to understand the forces affecting a company and which stakeholders are affected'. He added that: 'we must never lose sight of the fact that companies are entitled to make profits.' The second major criticism of BBC business reporting was that it was not giving adequate attention to mergers and acquisitions, which despite having little impact on viewers and listeners were nevertheless major developments in the corporate world.<sup>191</sup>

Greg Dyke felt it quite strongly. There were all sorts of stories that we didn't cover because [...] we just didn't feel they were typical BBC stories. And we should have felt they were typical BBC stories. (Evan Davis)<sup>192</sup>

There was one fabulously famous example [...] when Vodafone took over Mannesmann – which is a big German conglomerate in the telecoms business, and this was a massively important takeover at a time when the business was growing and Vodafone was not merely becoming an entity, but had already arrived [...] [T]he size of the story totally escaped BBC editors and it was obviously the lead story. (Mark Damazer)<sup>193</sup>

Another major business event that was said to have been given inadequate coverage was the AOL Time Warner merger.<sup>194</sup> The failure of *Newsnight* to cover this story in particular led to strong criticism from the BBC leadership and the release of new resources to fund the appointment of a

business reporter. This, a senior editorial figure recalls, was the time of the dotcom boom and there was, it was believed, a 'fascination with markets'. It was felt by the leadership that the BBC wasn't reflecting the 'value of globalisation' or the 'complexities' of business.<sup>195</sup> Evan Davis recalls the mood:

We're in a long upswing out of the ERM debacle. We are in a dotcom boom globally. The era of globalisation is gradually dawning. The new era of globalisation. [...] [The feeling was] we mustn't be hostile to business, we need to explain business. We mustn't take a side in a kind of pro-business, anti-business debate, we're just there, explaining it and interpreting it. But above all we are there with it. I mean we are reporting on it rather than ignoring it, because it's very important and increasingly so. And so we need to get stories and we need those stories to be well reported and well explained. And we need more people to do that and we need more space on our bulletins to cover that. And when we're not having bulletins we need more space to cover it in the non-bulletins for the specialist audience. And we need organisational changes to break the boundaries between internet coverage, radio coverage, TV coverage, business programmes and business newsgathering, it all needs to be put in one big place where they can all see what each other are doing.<sup>196</sup>

The new objective, according to one senior editor, was to provide a 'really good explanation for what was going on', and this involved 'raising public consciousness about the importance of business'.<sup>197</sup>

[The message was that] business provides jobs, it provides employment, it provides tax revenue to pay for things like the BBC, and the BBC needs to treat it in a different way. So there was this huge culture change I remember going on around 1999. [...] Dyke's point of view was you have stories about job losses and bad conditions. But you never hear about the good side which is that business is creating wealth. And so he didn't just say this, this was institutionalised as well. (Stephen Coulter)<sup>198</sup>

The key institutional innovation, in addition to the creation of the Business and Economics Centre, was the decision to appoint the right-wing business journalist Jeff Randall as business editor.

### Agents of change

The appointment of Jeff Randall was announced in Dyke's CBI speech, and was the most headline grabbing measure in the speech. A few days after the announcement, Randall told *The Times*:

I have certain attitudes forged by my working for fascinating entrepreneurs like Rupert Murdoch and the Barclay family. Those attitudes probably aren't typical of the BBC, but the Director-General said this week that he wanted the BBC to look at business in a different light. If this, my job and the new department, is to succeed, my attitude must prevail – because the old attitude has not succeeded.<sup>199</sup>

Randall arrived at the BBC in March 2001 with a reported salary of £250,000<sup>200</sup> and a brief to oversee 'attitudinal change in the Corporation'.<sup>201</sup> As an outspoken critic of the BBC, he was a provocative appointment and one that symbolised the determination of the new Director-General to institute major cultural and institutional change at the Corporation. Greg Dyke recalls:

I talked to Mark Damazer and I said, 'Look, we've got to do something about our coverage of business. And Mark instinctively knew something had to be done so he brought together all the people across the BBC who'd done business programmes of some sort or another [...] including news, features and everything. Most of them had never met each other. And we started discussing this and we had this really interesting meeting for about two hours one night, completely unofficial. And out of it came the idea that we should separate economics and business. See its classic BBC that believes economics is the same as business. So we then said, okay, for news we need a business editor. And I knew Jeff Randall of old and I suggested we bring in Jeff Randall. [...] They went off and interviewed a few people and came back and said, 'Look, we agree with you, we want Jeff Randall.' I always remember Mark Damazer saying at the time

he'd be a shock to the newsroom because they'd never met anybody who thought George W. Bush was a liberal up till then. So Jeff came in and started trying to sell business ideas to the newsroom.

Mark Damazer recalls his side of this story:

Greg asked me to go and find a business editor and I looked at a few people, interviewed a few people, Randall won by a mile and he was a good choice. And the fact that he was a bloke with an unusual background for the BBC made it interesting for both him and for me, and for the BBC.<sup>202</sup>

Randall's background was in the right-wing press. He studied economics at university and lectured for a short time before becoming a financial journalist. He was City Correspondent on the *Sunday Telegraph* during Big Bang and joined *The Sunday Times* in 1988. After holding several roles in business journalism at the paper he became City and Business Editor in 1994 as well as a director of Times Newspapers. At the time of his appointment to the BBC, Randall was the editor of *Sunday Business*, a title which he was recruited to launch for the multi-millionaire Barclay brothers,<sup>203</sup> later owners of the Telegraph Group and the *Spectator*. Randall was reportedly given the job as BBC business editor as a result of a highly critical editorial he authored for the *Sunday Business* in May 2000.<sup>204</sup> In it he complained that Radio 4 had marginalised 'happily married Anglo-Saxon, heterosexual, law-abiding taxpayers' whilst displaying 'an obsessive obsequiousness to the interests and concerns of social and ethnic minorities, the unemployed, and those who enjoy denigrating conventional values.'<sup>205</sup>

By contrast, the flagship station's coverage of business matters is almost non-existent. *The Financial World Tonight* was shunted off to the graveyard slot of 11.15pm on Radio 5 long ago. Business is rarely covered in Radio 4 news bulletins, unless it is a story about a beastly multinational making workers redundant or fat-cat directors collecting outrageous salaries. It is as if this country's executive class, whose taxes underpin the BBC's funding, does not exist.

The BBC's new Director-General, Greg Dyke, made a personal fortune from business. It's about time he looked at the corporation's institutionalised bias against free-enterprise wealth-creators – and did something about it.<sup>206</sup>

Dyke, according to Randall, then telephoned him and said: 'You can be one of those geezers sitting on the sidelines carping, bitching and whinging, or you can come here and do something about it. Have you got the balls to do that?'<sup>207</sup> He was warned by Dyke not to 'go native' and encouraged to 'be an agent of change'.<sup>208</sup>

As had been anticipated at the time of Mark Damazer's review, with the appointment of Jeff Randall, Peter Jay's remit was narrowed from economics and business, to just economics. Jay remarks:

Greg thought it was important that we embrace with enthusiasm and excitement the whole of this – to him – thrilling area of business which wasn't something which would concern economics as he would define it – macroeconomic – and therefore he was very keen to expand that. And he therefore moved to recruit somebody who would focus predominantly, indeed entirely, on that area. And he did, and my title as business and economics editor was split into two – economics and business editor. I was very happy with this because for the reasons I explained, I had no interest whatever in broadcasting about business as business, I didn't think that was what one should be doing.<sup>209</sup>

This change, interviews suggest, brought business journalism on a par with economics, which had exerted more influence over the news agenda in the 1990s.

And then suddenly [with the appointment of Jeff Randall] in the battle between economics and business you had a business person in charge. So a big contrast to the Peter Jay era where the news would be led by our economics correspondent – probably the same story but probably just a different sort of style and a different beginning point. (Peter Day)<sup>210</sup>

It did feel to me that there was a step change at the time of the dot com with the arrival of Jeff Randall in which business became much more prominent and, if you like, the Peter Jay economics emphasis had to then be shared with business. But at the same time the amount of space given to these topics expanded so it wasn't like there was less work for economics journalists. It was just now that there was twice as much work and twice as many people. (Evan Davis)<sup>211</sup>

Only months after Randall's arrival, it was announced that Peter Jay would be retiring. This followed a six-week review of the BBC's business and economics journalism by Randall and the deputy head of newsgathering, Vin Ray, and was announced along with a series of initiatives including the creation of 20 new business and economics posts and a £2m investment in the Business and Economics Centre.<sup>212</sup> Jay's departure had been anticipated when his contract with the BBC was renewed in January 2000. He had been offered a salary of £160,000 a year, well over double his salary when he joined the BBC nine years earlier, and was asked to continue as Economics Editor for two years, in the second year helping the BBC identify a successor.<sup>213</sup> Jay suggested his protégée Evan Davis, then Economics Editor on *Newsnight*. Richard Sambrook wrote to Jay on 4 December 2001, remarking, 'I hope you agree that, with Evan, your legacy is in safe hands.'<sup>214</sup>

Davis, who developed a much stronger on screen presence, was according to Richard Griffiths 'one of the first correspondents who was extremely popular with TV news editors and radio news editors'.<sup>215</sup> Indeed, Davis remarked in an email to Peter Jay in September 2002: 'The [News at] Ten folks now trust me, and in fairness to them, more or less let me dictate what I do with a minimal amount of interference.'<sup>216</sup> Davis, Griffiths suggests made

economics explicable, unlike Peter Jay who preceded him, who was a disaster and I think most people would concur with that. He was just not a television broadcaster. [...] But I think Evan was very different and I think that's why... He championed making complex stories very accessible to all sorts of people who were watching. He was unusual because we talked about editors who were behind the scenes editors who were champions, but Evan was a front of camera person.<sup>217</sup>

Davis's prominence as economics editor was later equalled, if not surpassed by Jeff Randall's successor as Business Editor, Robert Peston, who joined the BBC in February 2006. Peston, who worked on a number of newspapers, mainly as a financial journalist, and at the time of joining the BBC was City Editor of the *Sunday Telegraph*, more than his predecessor built a reputation for himself as a journalist who could 'break stories'. He is particularly well known for his 'scoop' revealing the collapse of Northern Rock, which prefigured the global financial crisis of 2008. Just days before the bankruptcy of Lehmann Brothers in September that year, Peston told the *Guardian*:

When I arrived at the BBC I didn't think it gave enough weight to stories that were pretty important and it was harder to get stuff on air. [...] But now the instinctive reaction of the BBC on a quiet news day is to turn to the business and economics department for a lead in a way that would have been unthinkable two or three years ago.<sup>218</sup>

An interviewee similarly remarked:

When the economic crash happened – started to happen – the first major economic event of course was Northern Rock, which was a BBC story, of course. The first major story was a BBC story. So the world changed in September 2007. And from that time onwards the editors were looking... you were jumping to the top of the news bulletins. So ever since then, and even now, though it's a little bit less common, you are at the – what we call the – top of the running order, so the top of the show, you are often the lead story. [...] We pretty much walked onto the news bulletins for seven or eight years. (BBC business journalist)<sup>219</sup>

Indeed, this is one of the strange ironies of the financial collapse of 2008. Whereas it might have been expected to have led to a more heterodox approach to economic issues, it largely appears to have strengthened the influence of neoliberalism and big business at the BBC. As was noted in Chapter 1, content analysis commissioned by the BBC Trust found that in 2007 business representatives were

more than five times more prevalent than representatives of labour, and by 2012 the former outnumbered the latter almost twenty times.<sup>220</sup>

### **The gorilla and elephant in the room**

This chapter has described the considerable changes to the BBC's business and economics reporting that took place between the mid-1970s, and the mid-1980s especially, up to the onset of the global financial crisis of 2008. Some of these shifts are evidenced in an official review of the BBC's business journalism published in May 2007, only months before the collapse of Northern Rock anticipated the beginning of the global financial crisis the following year. In 2006, the BBC Trust, the successor body to the Board of Governors, appointed the neoliberal economist Alan Budd to chair an independent panel tasked with 'assess[ing] whether the BBC portrays a fair and balanced picture of the world of business and of its impact on society more generally'.<sup>221</sup> According to Richard Tait, then a member of the BBC Trust, one of the reasons the review was set up was 'a sense that the BBC was still quite hostile to business'.<sup>222</sup> The report concluded that 'there is no doubt that the BBC takes business as a genre seriously – in terms of both the amount of coverage and the resources devoted to it'.<sup>223</sup> Indeed, the content analysis commissioned by the Panel found that the BBC's evening news gave almost twice the amount of airtime to business stories compared with ITN, whilst BBC News 24 devoted almost five times the amount of airtime compared with the same evening hour of broadcasting on Sky News.<sup>224</sup> Surveying the 'resources available to the generation and production of business news' at the BBC compared with its rivals, the author of the content analysis remarked, 'when it comes to broadcast business news reporting there is only one 500-pound gorilla in the room'.<sup>225</sup>

The Budd review made some familiar criticisms of the BBC's reporting, claiming that there was evidence of occasional 'unconsciously partial and unbalanced' reporting, resulting 'mainly from a lack of awareness of the commercial world' and 'a lack of specialist knowledge and perhaps a lack of interest on the part of some mainstream programme editors'.<sup>226</sup> It was argued that 'a preoccupation with taking the consumer perspective' had marginalised the perspective of 'direct and indirect shareholders'<sup>227</sup> and meant 'much business coverage is seen as a battle between "unscrupulous" company bosses and their "exploited" customers'.<sup>228</sup> Significantly though the panel acknowledged the remarkable extent to which the perspective of workers had been marginalised in the BBC's output. The section of the report detailing this is worth quoting at length:

3.1 Around 29 million people work for a living in the UK and spend a large proportion of their waking hours in the workplace. However, little of this important part of UK life is reflected in the BBC's business coverage. As noted above, the audiences are served in their identity as consumers. But they are not that well served in their role as workers.

3.2 Unions in Britain represent around 6.5 million people and deal with a wide range of issues affecting the rights of workers. Yet union witnesses told us that the union perspective is often narrowly defined by the BBC and is only raised in the case of employment disputes. The T and G pointed out in its written evidence that it believes there is a lack of engagement in labour affairs issues.

[...]

3.4 Unions believe that there are relatively few stories about important issues such as equal pay, workplace safety/occupational health and equal opportunity. They believe that their views are not sought on wider employment issues and the role of workers in society. They note that there are programmes on consumers' rights but not the equivalent on workers' rights. In short, their view is that the world of work does not really feature on the BBC – and even when it does it is without the workers.

3.5 From our own viewing and listening there are times when the union and employee perspective is missing. One reason may be because the importance of these issues in a modern society may not be widely recognised by BBC journalists. We believe this stems in part from what witnesses describe as a lack of knowledge and interest.



3.6 We note that the BBC currently only has one labour affairs correspondent and although very experienced and knowledgeable he rarely appears on television.<sup>229</sup>

The Budd report thus represented a curious mix of arguments. Whilst it found no evidence of the anti-business bias it had been set up to investigate, it argued nevertheless that a dominant consumerist perspective at the BBC had eclipsed the perspective of both owners and workers. This hardly seems plausible in light of the considerable resources the BBC had dedicated to promoting the perspective of business in its reporting. A more convincing conclusion might have been that BBC business reporting had adopted a strong consumerist focus as part of a strategic adaptation to neoliberalism; an orientation which occasionally conflicted with its commitment to sympathetic coverage of the business world, and which had at the same time more or less completely displaced the notion of the audience as workers and citizens. Indeed, the extent to which, contrary to the assumptions that had led to the establishment of the Budd inquiry, business had come to dominate the BBC's output, was something of an elephant in the room. This dominance was the result of both a conscious effort by the pro-business leadership BBC, and wider, less personal, social forces, which together had shifted the structure and ethos of the Corporation. In the following chapter we examined more closely the dynamics of this process of change.

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<sup>1</sup> Arthur Seldon, 'IEA on the Air', memo, 2 July 1980, IEA 333/6, 1. Cited in Jackson, 'The Think-Tank Archipelago', 56.

<sup>2</sup> Birt, *Harder Path*, 254.

<sup>3</sup> Interview with Mark Damazer, 20 August 2013.

<sup>4</sup> *Ibid.*

<sup>5</sup> Interview with Richard Tait, 17 May 2013.

<sup>6</sup> Interview with Nicholas Jones, 25 February 2013.

<sup>7</sup> Interview with John Fryer, 10 June 2013.

<sup>8</sup> *Ibid.*

<sup>9</sup> *Ibid.*

<sup>10</sup> *Ibid.*

<sup>11</sup> Interview with Peter Day, 26 July 2013.

<sup>12</sup> Interview with Richard Tait, 17 May 2013.

<sup>13</sup> Interview with Tom Maddocks, 2 August 2013.

<sup>14</sup> 'HARROD, Dominick Roy', *Who's Who 2012*, A and C Black, 2012; online edn, Oxford University Press, Dec 2011 ; online edn, Nov 2011, accessed 29 December 2014, <http://www.ukwhoswho.com/view/article/oupww/whoswho/U19286>.

<sup>15</sup> *Committee on the Future of Broadcasting*, 272-3.

<sup>16</sup> *Ibid.*, 273.

<sup>17</sup> Interview with Richard Tait, 17 May 2013.

<sup>18</sup> Interview with Peter Day, 26 July 2013.

<sup>19</sup> Interview with Tom Maddocks, 2 August 2013.

<sup>20</sup> 'Peter Day's week', 30 July 2009, accessed 27 December 2014, [http://www.bbc.co.uk/blogs/radio4/posts/peter\\_day](http://www.bbc.co.uk/blogs/radio4/posts/peter_day).

<sup>21</sup> Interview with Tom Maddocks, 2 August 2013.

<sup>22</sup> Interview with Peter Day, 26 July 2013.

<sup>23</sup> *Ibid.*

<sup>24</sup> Ed Mitchell, *From Headlines to Hard Times* (London: John Blake Publishing, 2013), 66-67.

<sup>25</sup> Interview with James Long, 28 May 2014

<sup>26</sup> Mitchell, *From Headlines to Hard Times*, 67.

<sup>27</sup> Interview with Tom Maddocks, 2 August 2013.

<sup>28</sup> Interview with Richard Quest, 2 April 2013.

<sup>29</sup> Mitchell, *From Headlines to Hard Times*.

<sup>30</sup> *BBC Staff List*, October 1984.

<sup>31</sup> Interview with John Fryer, 10 June 2013.

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- <sup>32</sup> Interview with Nicholas Jones, 25 February 2013.
- <sup>33</sup> Interview with Iain Carson, 8 February 2013.
- <sup>34</sup> Interview with Peter Day, 26 July 2013.
- <sup>35</sup> Interview with Richard Tait, 17 May 2013.
- <sup>36</sup> Interview with Richard Tait, 17 May 2013.
- <sup>37</sup> Interview with Will Hutton, 3 December 2013.
- <sup>38</sup> Martin Adeney, '...But will business ever love the BBC?', *British Journalism Review* 12 no.1 (2001): 51-56.
- <sup>39</sup> Peter Day, 'Peter Day's week', BBC Blog, 30 July 2009, 16:34, accessed 27 December 2014, [http://www.bbc.co.uk/blogs/radio4/2009/07/peter\\_day.html](http://www.bbc.co.uk/blogs/radio4/2009/07/peter_day.html).
- <sup>40</sup> For an account of the Wapping dispute see John Lang and Graham Dodkins, *Bad News: The Wapping Dispute* (Nottingham: Spokesman Books, 2011).
- <sup>41</sup> Interview with John Fryer, 10 June 2013.
- <sup>42</sup> Interview with Nicholas Jones, 25 February 2013.
- <sup>43</sup> Interview with Peter Day, 26 July 2013.
- <sup>44</sup> In an influential work the sociologist Geoffrey Ingham described the City of London the Bank of England and Treasury as the 'core institutional nexus' of British society (Geoffrey Ingham, *Capitalism Divided?: The City and Industry in British Social Development* (Basingstoke: MacMillan, 1984), 9). The concept was adopted by Peter Cain and Anthony Hopkins in their studies of imperialism (Peter Cain and Anthony Hopkins, *British Imperialism: Crisis and Deconstruction, 1914-1990* (London: Longman, 1993) and, as Inderjeet Parmar notes (Inderjeet Parmar, *Special Interests, the State and the Anglo-American Alliance, 1939-1945* (Abingdon: Routledge, 2013), 52), by Mann (Michael Mann, *States, War and Capitalism* (Oxford: Blackwell, 1988), 218). Adopting a more instrumentalist perspective, Frank Longstreth argued that the Bank of England and the Treasury represent the institutionalisation of the power of finance capital within the British state (Longstreth, 'The City, Industry and the State.').
- <sup>45</sup> Leila Simona Talani, *Globalization, Hegemony and the Future of the City of London* (Basingstoke: Palgrave Macmillan, 2011), 62.
- <sup>46</sup> Talani, *The Future of the City of London*, 61.
- <sup>47</sup> Mitchell, *From Headlines to Hard Times*, 79.
- <sup>48</sup> *Ibid.*, 79.
- <sup>49</sup> *Ibid.*, 81-2.
- <sup>50</sup> Interview with James Long, 28 May 2014.
- <sup>51</sup> Marie Kinsey, 'Reporting business, finance and the City', in *Broadcast Journalism: A Critical Introduction*, eds. Jane Chapman and Marie Kinsey (Abingdon: Routledge, 2009), 161.
- <sup>52</sup> Adeney, '...But will business ever love the BBC?', 51-56.
- <sup>53</sup> Interview with Nicholas Jones, 25 February 2013.
- <sup>54</sup> Interview with Peter Day, 26 July 2013.
- <sup>55</sup> Interview with BBC business journalist, 17 July 2013.
- <sup>56</sup> Kinsey, 'Reporting Business', 161.
- <sup>57</sup> Interview with former BBC economics and business journalist, 12 August 2013.
- <sup>58</sup> Interview with Richard Quest, 2 April 2013.
- <sup>59</sup> Interview with Tom Maddocks, 2 August 2013.
- <sup>60</sup> Interview with Rory Cellan-Jones, 18 July 2013.
- <sup>61</sup> Interview with Pauline McCole, 6 September 2013.
- <sup>62</sup> Interview with Iain Carson, 8 February 2013.
- <sup>63</sup> Interview with Tom Maddocks, 2 August 2013.
- <sup>64</sup> University of California, San Francisco, Legacy Tobacco Documents Library. Letter from Iain Carson and Stephanie Harris regarding The Business Programme. 4 August 1987. British American Tobacco, accessed 27 December 2014, <http://legacy.library.ucsf.edu/tid/bjs20a99>
- <sup>65</sup> *Ibid.*
- <sup>66</sup> Interview with Iain Carson, 8 February 2013
- <sup>67</sup> Interview with Pauline McCole, 6 September 2013.
- <sup>68</sup> Interview with Paul Gibbs, 7 May 2013.

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- <sup>69</sup> Mitchell, *From Headlines to Hard Times*, 101.
- <sup>70</sup> Mitchell, *From Headlines to Hard Times*, 80.
- <sup>71</sup> Interview with former BBC economics and business journalist, 12 August 2013.
- <sup>72</sup> Interview with Tom Maddocks, 2 August 2013.
- <sup>73</sup> Interview with Richard Quest, 2 April 2013.
- <sup>74</sup> Interview with former BBC business journalist, 29 July 2013.
- <sup>75</sup> Interview with Paul Gibbs, 7 May 2013.
- <sup>76</sup> Interview with Iain Carson, 8 February 2013.
- <sup>77</sup> Interview with former BBC business journalist, 29 July 2013.
- <sup>78</sup> Birt, *Harder Path*, 264.
- <sup>79</sup> Interview with Peter Jay, 26 April 2013.
- <sup>80</sup> Interview with John Fryer, 10 June 2013.
- <sup>81</sup> Churchill Archives Centre, The Papers of Peter Jay, PJAY 3/14/3. Letter from Ian Hargreaves to Peter Jay.
- <sup>82</sup> Interview with John Fryer, 10 June 2013.
- <sup>83</sup> Interview with Richard Tait, 17 May 2013.
- <sup>84</sup> Adeney, '...But will business ever love the BBC?', 51-56.
- <sup>85</sup> Interview with Richard Quest, 2 April 2013.
- <sup>86</sup> LinkedIn, Daniel Jeffreys, accessed 27 December 2014, <http://hk.linkedin.com/in/danieljeffreys>
- <sup>87</sup> Interview with Will Hutton, 3 December 2013. Hutton's successor at *Newsnight* was Graham Ingham, a former Treasury official recruited from the World Service who would later become an advisor at the International Monetary Fund and the Federal Reserve Bank of New York. (LinkedIn, Graham Ingham, accessed 27 December 2014, <http://uk.linkedin.com/pub/graham-ingham/a/36/4b8>.)
- <sup>88</sup> Interview with Will Hutton, 3 December 2013.
- <sup>89</sup> O'Malley, *Closedown?*, 92. Chris Horrie and Steve Clarke, *Fuzzy Monsters – Fear and Loathing at the BBC* (London: William Heinemann, 1994), 37. Milne, *Memoirs of a British Broadcaster*, 224
- <sup>90</sup> Interview with former senior editor, 12 April 2013.
- <sup>91</sup> Churchill Archives Centre, The Papers of Peter Jay, PJAY 3/14/3. Editor, Business and Economics Unit Job Specification.
- <sup>92</sup> Churchill Archives Centre, The Papers of Peter Jay, PJAY 3/14/3. Letter from Ian Hargreaves to Peter Jay.
- <sup>93</sup> Churchill Archives Centre, The Papers of Peter Jay, PJAY 3/14/3. Letter from Vin Harrop to Peter Jay, 5 April 1990.
- <sup>94</sup> Churchill Archives Centre, The Papers of Peter Jay, PJAY 3/14/4. Fax from Peter Jay to Chris Cramer, 23 January 1996.
- <sup>95</sup> Churchill Archives Centre, The Papers of Peter Jay, PJAY 3/14/3. Letter from Ian Anne Strickland, Group Hospitality Co-ordinator, Barclay, to Peter Jay, 27 January 1992. Churchill Archives Centre, The Papers of Peter Jay, PJAY 4/8/23. Letter from Ellen Miller to Peter Jay, 4 March 1999. Jay's 'outside interests' led to an ill tempered exchange with the BBC management when he was offered a column at the *Sunday Business* at the rate of £1,000 per article. Jay claimed that he 'pressingly need[ed] the money' explaining that it 'could educate my children!', but the management did not grant permission because of the concern to maintain impartiality in the run up to the 1997 general election. (Churchill Archives Centre, The Papers of Peter Jay, PJAY 3/14/4. Letter from Vin Harrop to Peter Jay. Churchill Archives Centre, The Papers of Peter Jay, PJAY 3/14/4. Fax from Peter Jay to Chris Cramer, 23 January 1996.)
- <sup>96</sup> Interview with Peter Jay, 26 April 2013.
- <sup>97</sup> Interview with Peter Day, 26 July 2013.
- <sup>98</sup> Interview with John Fryer, 10 June 2013.
- <sup>99</sup> Churchill College Cambridge, British Diplomatic Oral History Programme (BDOHP), Peter Jay interviewed on 24 February 2006 by Malcolm McBain.
- <sup>100</sup> *Ibid.*
- <sup>101</sup> They include, for example, a party invite from the then Chancellor Gordon Brown and a letter from his advisor Ed Balls congratulating him on his retirement and hoping that they would meet again at the Garrick Club. (Churchill Archives Centre, The Papers of Peter Jay, PJAY 4/8/28. Party invite

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from the Chancellor Gordon Brown dated 18 September 2000, PJAY 4/8/32. Letter from Ed Balls to Peter Jay, 6 December 2001.)

<sup>102</sup> Interview with former BBC economics and business journalist, 12 August 2013.

<sup>103</sup> *Ibid.*

<sup>104</sup> Interview with John Fryer, 10 June 2013.

<sup>105</sup> Interview with Rory Cellan-Jones, 18 July 2013.

<sup>106</sup> Interview with Evan Davis, 7 May 2013.

<sup>107</sup> Quoted in James Collard, 'Fiscal attraction,' *The Times*, 8 September 2001, 37.

<sup>108</sup> Interview with former senior editor, 12 April 2013.

<sup>109</sup> Interview with Evan Davis, 7 May 2013.

<sup>110</sup> *Ibid.*

<sup>111</sup> Interview with former senior editor, 12 April 2013.

<sup>112</sup> Davis, *Mediation of Power*, 23.

<sup>113</sup> Interview with BBC business journalist, 23 June 2014.

<sup>114</sup> Interview with James Long, 28 May 2014.

<sup>115</sup> Interview with former senior editor, 12 April 2013.

<sup>116</sup> Gorkana meets the BBC's Business Unit, Gorkana, accessed 6 September 2014, <http://www.gorkana.com/news/consumer/general-news/gorkana-meets-the-bbcs-business-unit/>.

<sup>117</sup> Interview with BBC business journalist, 17 July 2013.

<sup>118</sup> We should not fall into the trap of assuming that such journalism is more interrogatory of power. In fact, in some ways it is less so since it likely originates from elite sources, but affords no opportunity for others to interrogate the information on which it is based. Curran cites a 1991 study which examined six investigative stories appearing in the US media during the 1980s and found every one originated with elites and most were part of a conscious agenda building strategy. See David L. Protess et al., *The Journalism of Outrage: Investigative Reporting and Agenda-Building in America* (New York: Guilford Press, 1991) cited in Curran, *Media and Power*, 221-2.

<sup>119</sup> Interview with Rory Cellan-Jones, 18 July 2013.

<sup>120</sup> Interview with Evan Davis, 7 May 2013.

<sup>121</sup> Interview with Greg Dyke, 28 May 2014.

<sup>122</sup> Interview with John Fryer, 10 June 2013.

<sup>123</sup> Interview with Peter Day, 26 July 2013.

<sup>124</sup> Interview with Peter Jay, 26 April 2013.

<sup>125</sup> Interview with Rory Cellan-Jones, 18 July 2013.

<sup>126</sup> Interview with Richard Griffiths, 27 February 2013.

<sup>127</sup> Interview with former senior editor, 12 April 2013.

<sup>128</sup> The BBC Trust Impartiality Review Business Coverage, The BBC Journalism Group Submission to the Panel, 23 January 2007, 15.

<sup>129</sup> Interview with Stephen Coulter, 9 January 2014.

<sup>130</sup> Interview with Rory Cellan-Jones, 18 July 2013.

<sup>131</sup> Interview with former BBC business journalist, 29 July 2013.

<sup>132</sup> Interview with Richard Quest, 2 April 2013.

<sup>133</sup> Interview with Paul Gibbs, 7 May 2013.

<sup>134</sup> *Ibid.*

<sup>135</sup> Interview with Richard Quest, 28 February 2013.

<sup>136</sup> Interview with Paul Gibbs, 7 May 2013.

<sup>137</sup> Interview with Richard Griffiths, 27 February 2013.

<sup>138</sup> Interview with Richard Quest, 2 April 2013.

<sup>139</sup> Interview with Paul Gibbs, 7 May 2013.

<sup>140</sup> *Ibid.*

<sup>141</sup> Interview with former senior editor, 12 April 2013.

<sup>142</sup> Interview with Paul Gibbs, 7 May 2013.

<sup>143</sup> *Ibid.*

<sup>144</sup> *Ibid.*

<sup>145</sup> Interview with former BBC business journalist, 29 July 2013.

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- <sup>146</sup> Interview with Rory Cellan-Jones, 18 July 2013.
- <sup>147</sup> Interview with Richard Griffiths, 27 February 2013.
- <sup>148</sup> Interview with Pauline McCole, 6 September 2013.
- <sup>149</sup> Nicholas Jones, TUC Congress Guide 1990, quoted in Nicholas Jones ed., *The Lost Tribe of Fleet Street: Whatever happened to the labour and industrial correspondents?* (Nicholas Jones, 2011) 23-4.
- <sup>150</sup> Interview with former senior editor, 12 April 2013.
- <sup>151</sup> Interview with former BBC business journalist, 29 July 2013.
- <sup>152</sup> Interview with former senior editor, 12 April 2013.
- <sup>153</sup> Born, *Uncertain Vision*, 387.
- <sup>154</sup> Birt, *Harder Path*, 264-5.
- <sup>155</sup> Interview with Richard Quest, 2 April 2013.
- <sup>156</sup> Interview with former BBC business journalist, 29 July 2013.
- <sup>157</sup> 'Randall becomes first BBC business editor', Broadcast, 6 November 2000.
- <sup>158</sup> 'BBC promises more business news', BBC News Online, 6 November, 2000, accessed 27 December 2014, <http://news.bbc.co.uk/1/hi/business/1009208.stm>
- <sup>159</sup> 'The Beeb tunes in to business', *Daily Mail*, 7 November 2000, accessed via Nexis UK.
- <sup>160</sup> Quoted in Michael Harrison, 'Dyke appoints "£250,000-a-year" editor to re-vamp business news', *Independent*, 7 November 2000, 5.
- <sup>161</sup> *Ibid.*
- <sup>162</sup> 'BBC promises more business news', BBC News Online, 6 November, 2000, accessed 27 December 2014, <http://news.bbc.co.uk/1/hi/business/1009208.stm>.
- <sup>163</sup> Interview with Richard Griffiths, 27 February 2013.
- <sup>164</sup> Churchill Archives Centre, The Papers of Peter Jay, PJAY 3/14/3. Letter from Ian Hargreaves to Peter Jay.
- <sup>165</sup> Birt, *Harder Path*, 303.
- <sup>166</sup> LinkedIn, Daniel Dodd, accessed 27 December 2014, accessed 21 March 2014, <http://uk.linkedin.com/pub/daniel-dodd/3/b01/a5>.
- <sup>167</sup> Interview with former senior editor, 2 August 2013.
- <sup>168</sup> Interview with Evan Davis, 7 May 2013.
- <sup>169</sup> Birt, *Harder Path*, 303.
- <sup>170</sup> Interview with Pauline McCole, 6 September 2013.
- <sup>171</sup> Interview with former senior editor, 26 February 2014.
- <sup>172</sup> Interview with Pauline McCole, 6 September 2013.
- <sup>173</sup> Interview with former senior editor, 2 August 2013.
- <sup>174</sup> *Ibid.*
- <sup>175</sup> Interview with Stephen Coulter, 9 January 2014.
- <sup>176</sup> Gorkana meets the BBC's Business Unit, Gorkana, accessed 6 September 2014, <http://www.gorkana.com/news/consumer/general-news/gorkana-meets-the-bbcs-business-unit/>.
- <sup>177</sup> Interview with Martin Greig, 27 March 2014.
- <sup>178</sup> Interview with Mark Damazer, 20 August 2013.
- <sup>179</sup> 'DYKE, Gregory', Who's Who 2014, A and C Black, an imprint of Bloomsbury Publishing plc, 2014; online edn, Oxford University Press, 2013; online edn, Dec 2013, accessed 3 May 2014, <http://www.ukwhoswho.com/view/article/oupww/whoswho/U14451>.
- <sup>180</sup> Interview with Mark Damazer, 20 August 2013.
- <sup>181</sup> Interview with Peter Jay, 26 April 2013.
- <sup>182</sup> Interview with Greg Dyke, 28 May 2014
- <sup>183</sup> Interview with Evan Davis, 7 May 2013.
- <sup>184</sup> Birt, *Harder Path*, 265.
- <sup>185</sup> Interview with Mark Damazer, 20 August 2013.
- <sup>186</sup> *Ibid.*
- <sup>187</sup> Interview with former senior editor, 2 August 2013.
- <sup>188</sup> Interview with Greg Dyke, 28 May 2014
- <sup>189</sup> Interview with Evan Davis, 7 May 2013.
- <sup>190</sup> Interview with John Fryer, 10 June 2013.

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- <sup>191</sup> Jon Rees, 'Dyke orders BBC to tune into business', *Sunday Business*, 16 July 2000, 14.
- <sup>192</sup> Interview with Evan Davis, 7 May 2013.
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- <sup>198</sup> Interview with Stephen Coulter, 9 January 2014.
- <sup>199</sup> Paul McCann, 'A wolf joins the BBC fold', *The Times*, 10 November 2000, accessed via Nexis UK.
- <sup>200</sup> Michael Harrison, 'Dyke appoints "£250,000-a-year" editor to re-vamp business news', *Independent*, 7 November 2000, 5.
- <sup>201</sup> Raymond Boyle, 'From Troubleshooter to The Apprentice: the changing face of business on British television', *Media, Culture and Society* 30 no. 3 (2008): 415-42.
- <sup>202</sup> Interview with Mark Damazer, 20 August 2013.
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- <sup>211</sup> Interview with Evan Davis, 7 May 2013.
- <sup>212</sup> Julie Tomlin, 'BBC creates 20 new posts as Jay heads for retirement', *Press Gazette*, 1 August 2001, accessed 29 December 2014, <http://www.pressgazette.co.uk/node/20871>. Leigh Holmwood, '£2m boost for BBC news', *Broadcast*, 3 August 2001, accessed 29 December 2014, <http://m.broadcastnow.co.uk/1179561.article>.
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- <sup>215</sup> Interview with Richard Griffiths, 27 February 2013.
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- <sup>217</sup> Interview with Richard Griffiths, 27 February 2013.
- <sup>218</sup> Ben Dowell, 'Media: Show me the money', *Guardian*, 8 September 2008, Media Pages, 7.
- <sup>219</sup> Interview with BBC business journalist, 23 June 2014.
- <sup>220</sup> Karin Wahl-Jorgensen et al, *BBC Breadth of Opinion Review: Content Analysis*, 80.
- <sup>221</sup> Report of the independent panel for the BBC Trust on impartiality of BBC business coverage.
- <sup>222</sup> Interview with Richard Tait, 17 May 2013.
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- <sup>224</sup> Michael Svennevig, *BBC Coverage of Business in the UK: A Content Analysis of Business News Coverage* (Leeds: Institute of Communications Studies University of Leeds, 2007), 7.
- <sup>225</sup> *Ibid.*, 29.
- <sup>226</sup> Report of the independent panel for the BBC Trust on impartiality of BBC business coverage.
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<sup>228</sup> *Ibid.*  
<sup>229</sup> *Ibid.*

Chapter 7  
**Public service broadcasting and private power**  
**Or how the BBC learned to stop worrying and love big business**

I don't think anyone said, 'We must have more business and less trade unions.' I don't think that was ever said and it never would be said. And nobody said, 'Let's shift the BBC to be more sympathetic to capitalism and less sympathetic to labour.' I mean those conversations just don't take place in the BBC and any conspiracy that suggests otherwise... It's just not how those conversations work.

- Mark Damazer, Deputy Director, BBC News 2001-2004.<sup>1</sup>

I was there to rattle cages and, if necessary, make myself unpopular to force business up the news agenda. When I started, Greg Dyke warned me, 'don't go native; be an agent of change'.

- Jeff Randall, BBC business editor, 2001-2005.<sup>2</sup>

The previous chapter described the changes to the BBC's business and economics reporting between the mid-1970s, and the mid-1980s especially, up to the onset of the global financial crisis of 2008. Whereas in the social democratic period business reporting had consisted largely of market news, specialist financial programming and industrial relations reporting, by the mid-1990s coverage of organised labour had all but disappeared, business programming had expanded considerably and there had been a concerted effort by the BBC leadership to 'embed business news throughout the content'<sup>3</sup> bringing it out of its 'ghetto' (a term used by a number of interviewees). This mainstreaming of business news, which began under John Birt, continued apace in the 2000s when his successor Greg Dyke attempted to institute an explicitly pro-business shift at the Corporation – an agenda symbolised by the appointment of the right-wing financial journalist Jeff Randall as Business Editor. Empowered by a generous licence fee settlement, Dyke further increased the resources dedicated to economics and business journalism, augmenting an already significantly expanded area of reporting.

This long process of growth, and the shifts in professional norms that accompanied it, was, it should be noted, complex, contested and uneven. Different factions within the BBC adopted different approaches to economics, business and financial journalism and interviewees alluded to considerable differences and tensions (considered in more detail below). But complexities and conflicts notwithstanding, the direction of change is clear enough. Business in the neoliberal period was covered more and more extensively. Indeed, the overall growth of BBC business and economics reporting during this period is striking. In the early- to mid-1980s, BBC TV's industrial editor headed a team of three correspondents, whilst their radio equivalents worked alongside just half a dozen or so specialist staff who made up the Financial Unit. Just over two decades later, the BBC could boast of a '24-hour, tri-media operation of around 160 journalists and support staff producing 11 hours of business programming every weekday'.<sup>4</sup> Alongside this quantitative increase, and perhaps equally important, is the fact that what Peter Jay refers to as 'the economic life of the nation' was covered ever more from the viewpoint of the corporate elite. Whilst the interests and perspective of workers had long been marginalised in the BBC's reporting, those of business became ever more deeply embedded within the working practices and professional ideologies of BBC journalists. Indeed, despite the scepticism expressed by Peter Jay, 'business' became a word identified less with a distinct (and powerful) socio-economic group, or a particular mode of social organisation, and ever more a catch-all term incorporating all facets of economic life.

Building on the descriptive account provided in the previous chapter, this chapter examines more closely the dynamics of this process of change. How was it that the growing power of business in British society came to reshape a purportedly independent, publicly owned institution? What were the



specific mechanisms whereby the private power of business was able to transform a public service broadcaster? The analysis here is divided into two sections. In the first we consider whether the changes described in the last chapter can be attributed to a cultural shift in the BBC's audience leading to a greater demand for business and economics reporting. Here the notion that the neoliberal period saw a popular shift towards pro-business, market values is interrogated by the use of socio-economic metrics and public opinion data. It is concluded that whilst the neoliberal period saw dramatic changes to the political economy of the UK, there is little evidence that the population welcomed this shift or embraced neoliberal, or business, values.

Having largely rejected the notion that the changes to the BBC's reporting can be attributed to popular cultural change, the second section offers an alternative account of how the neoliberal 'common sense' worked its way through the BBC. It suggests that rather than reflecting a popular cultural shift, it is more accurate to see the BBC as having reflected a shift in elite culture, which it then helped to popularise. For the purposes of analysis, two distinct categories of change are identified: authoritative and diffuse. This is a conceptual vocabulary borrowed (somewhat loosely) from Mann who distinguishes between authoritative and diffused power:

*Authoritative* power is actually willed by groups and institutions. It comprises of definite commands and conscious obedience. *Diffused* power, however, spreads in a more spontaneous, unconscious, decentred way throughout a population, resulting in similar social practices that embody power relations but are not explicitly commanded. It typically comprises, not command and obedience, but an understanding that these practices are natural or moral...<sup>5</sup>

Authoritative power is more readily identifiable and for our purposes it is clear that a key mechanism of *neoliberalisation* at the BBC was the hierarchical power exercised by a neoliberal, pro-business leadership. But more subtle *diffused* processes of change are also evident. What is commanded in a hierarchical organisation like the BBC subsequently becomes diffused and less visible, and it is argued here that the top-down pro-business agendas of Birt, and then Dyke, became institutionalised, and to some extent obscured, through a particular allocation of resources and division of labour. Alongside these more subtle cultural-organisational shifts, were broader changes to British society which contributed to the neoliberal common sense at the Corporation during this period. A range of external factors (better understood as reconfigurations of Britain's power structure and its broader political economy than vaguely described as 'cultural' changes) helped create an erroneous perception of a popular shift to neoliberalism. Most notable of these are privatisation and financialisation, the changing political economy of the private media and the power of advertising and PR; each of which was linked to the neoliberal project and the rising power of business, and which appear to have directly impacted on editorial judgements within the BBC, as well as influencing internal *authoritative* changes.

Together, all these factors led to what one interviewee described as the 'elite capture' of the BBC's business and economics journalism.<sup>6</sup> This 'capture' was not total. It is not suggested that the BBC unambiguously championed big business, or that alternative perspectives did not appear. But it is argued that the largely uncritical coverage of business and finance that resulted from this 'capture' helped to craft a neoliberal 'common sense', legitimising the increased power of corporations over society.

### **Professional ideologies and the division of labour**

Journalists as an occupational group have a well developed professional ideology which has been created, recreated and disseminated 'on the job' in media organisations, as well as in higher education courses, training programmes, trade unions, magazines and journals, award bodies, clubs, societies and charities. But whilst journalism is cohesive enough to be identifiable as a single profession, journalists in practice occupy a variety of distinct roles in a highly competitive industry and often act less like a cohesive group and more like a band of warring brothers. Within the mixed political economy of the British news media there is not one single professional code, or ideology, but a number of professional ideologies with some shared features, each associated with distinct funding structures, regulatory regimes and divisions of labour. At the institutional level, tabloid and

broadsheet newspapers operate in quite different markets and tabloid and broadsheet journalism each involve not only quite different styles, but also distinct 'news values'. Direct competitors in the newspaper industry are also differentiated by different political orientations which impact upon editorial judgements, and the newspaper industry as a whole is distinct from broadcasting, which not only demands a quite different, and much broader, skill set, but also operates under a quite different regulatory structure, placing far more stringent obligations on journalists to maintain 'impartiality', or more precisely to report accurately and maintain a political balance reflective of elite opinion. Though this regulatory structure has helped create a more homogenous professional culture, within broadcasting too there are distinct ideologies at play: classic public service broadcasting and the more populist commercial ethos against which it has defined itself; though historically each tradition has influenced the other.

Distinct professional ideologies are also to be found within media organisations. In the case of the BBC, there are the sorts of tensions and rivalries one would expect to find in any large, hierarchical organisation, reflecting vertical power relationships and horizontal divisions of labour. But interviews also revealed tensions and rivalries which seemed to be symptomatic of changes to the BBC's institutional culture. One internal rivalry that was particularly notable from interviews was between economic newsgathering and business programming during the 1990s. Though these dual enterprises were expanded with the explicit blessing of the same modernising, pro-business leadership, there was a clear organisational division between the two and their professional ideologies were quite distinct. In news gathering, at least at the senior level, there was a strong emphasis on developing rigorous analysis of economic trends, and a concerted effort to avoid anecdotal journalism, the critique of which had been central to its 'mission to explain' value system. Though certain taboos about separating facts from analysis were broken, more traditional 'news values' endured. In business programming, by contrast, there was an explicit attempt to develop popular business output. Programme makers drew on traditional current affairs story telling skills and assumed an audience of mass shareholders and entrepreneurs. The two conflicting cultures were merged into the Economics and Business Centre in 1999, whereupon business news became more closely integrated into the editorial culture of newsgathering. For a time though, interviews suggest, there were considerable tensions between the two approaches. Rory Cellan-Jones recalled how at the time of the launch of *Working Lunch*:

One of the established correspondents sent a memo to management complaining about this programme and saying that one of the presenters was a former actor. Unfortunately he printed this memo out on a communal printer and we all read it and stuck it on the board.<sup>7</sup>

Paul Gibbs, the figure most associated with business programming, seemingly half-joking, described the BBC's then industrial and business correspondent, John Fryer, as an 'enemy'. Fryer, he said, 'fundamentally disagreed with my approach to business,' apparently disapproving of the down market tone of *Working Lunch*, which Gibbs claims

completely cut the ground from underneath the labour correspondents who were used to telling the stories that they saw fit, rather than using real people to tell it, quoting anonymous sources in the City.<sup>8</sup>

That Gibbs here conflates labour journalism with City reporting – each of which he was opposed to – illustrates well the factionalism of BBC business and economics reporting in the 1990s. But it also reveals the tensions that existed between ascendant and more established professional values at the BBC as it underwent a long process of change. Gibbs associates both labour journalism (which by the time of *Working Lunch* had all but disappeared) and City journalism with the established news values against which business journalists defined themselves. Despite his considerable successes, Gibbs maintains that institutional change during the 1990s was too slow, and that business remained marginalised at the BBC even in the 2000s.

There was what ran in news, which took a long time really to change from being a City service to more of a narrative business service. And then there were programmes. And despite their commitment to business, my programmes are at 6:30 morning and at 12:30,

midday. There was no mainstream evening business show until *The Apprentice* or *Dragons Den*.<sup>9</sup>

The belief that business remained neglected or misunderstood at the BBC under Birt, despite the support it received, was common.

It still felt like a marginal area [in the 1990s]. It was still almost mocked as, you know, those crazy guys from the Business Unit. You were a bit of a nerd because you weren't seen as doing hard news. (Former BBC business journalist)<sup>10</sup>

In some ways it was still an awful lot of lip service taking place in terms of this. [...] Our contributions to television were extremely limited. There was the separate production team that made whatever they made for breakfast television and obviously there were correspondents who worked differently, but contributed to the major television news bulletins on BBC1. But a lot of what they did was radio rather than television because it was always very difficult to get anybody interested in anything to do with business and economics. (Pauline McCole)<sup>11</sup>

The enduring sense of marginalisation among business journalists created palpable frustration and sometimes even an antipathy towards programme editors born out of the power they wielded over business journalists' access to programming.

It wasn't the journalists in the business unit who had any kind of problem with covering the stories and so forth, it was the fact that you are continually up against the prejudices, biases and fixed thinking of programme editors. [...] Journalism wasn't the problem. It was the editorial point of view that was the problem. (Pauline McCole)<sup>12</sup>

To understand this dynamic it is necessary to know a little about the structure of the BBC and its processes of production. John Fryer comments:

I don't want to go on down diversions about who runs the BBC's news output, but certainly at the time I was there the programme editors decided what went in their programmes. They were not told what to put in by anybody, they did that. The editors decided what should be the lead, what should be the running order and so on [...] and therefore when a business story came round it had to fight its way in against anything that was going on anywhere else in the world really.<sup>13</sup>

James Long, who was economics correspondent for radio and then television in the '70s and '80s recalls the difficulties of persuading editors to run economics and business stories:

The CBI used to get quite upset that we wouldn't devote more time to what they thought were very worthy stories. I was quite... I was a bit on their side. I thought that a lot of good business stories that my editors were quite bored by on the whole and would tend to get [...] shoved out of the bulletins by a breaking news stories in the world which was a sort of sexier story. So it was quite difficult to get this sort of stuff on the air...<sup>14</sup>

Richard Quest says that 'getting on the air' was a constant battle in the late '80s and early 1990s:

When they gave me the New York job, Ian Hargreaves, I remember it very clearly, I did the interview in the morning [...] and I remember them saying to me afterwards, Hargreaves, very clearly, 'Richard,' he said, 'you weren't the best candidate.' [...] 'But,' he said, 'You are the only one we thought would bully his way on air.' And that tells you all you need to know about the culture of business at the BBC in 1989. You had to bully. You had to convince producers to run your material.<sup>15</sup>

Another interviewee describes the great difficulties 'selling' business stories to the 'rump of old editors' in the 1990s:

I came to them and said there's this really good story about whatever, they'd just look at me and say, 'I don't understand any of this stuff. Are you telling me that I should run it?' I remember one editor whose nickname was 'Two Teas'. He was a very bluff bloke who always drank huge amounts of tea. He just used to look at me as if almost to say, 'Why

the hell are you bothering to come to me?' [...] I think he had a very old-fashioned newspaperman's view in fact – as I think quite a lot of people who ended up being editors there had worked in newspapers before – of what people wanted to hear or read. And complicated stuff with numbers was not it, in his view. [...] Maybe he was an extreme, but honestly some very, very smart guys, and woman editors, would not be very responsive to business stories. It was hard work to get them on. And I know from my colleagues who worked in telly at the same time that it was just the same. They struggled, they struggled. (Former BBC business journalist)<sup>16</sup>

Richard Quest emphasises that the 'dislike' of business news at the BBC was due more to a disinterest in, rather than hostility to, business.<sup>17</sup> Mark Damazer concurs, remarking that the perceived failures in business reporting at the BBC, which he was asked to address, were not 'born out of an ideological disposition to dislike capital', but 'overall business illiteracy' and 'insufficient intellectual curiosity'.<sup>18</sup> Another interviewee comments: 'It's not that they are biased against business or capitalism or anything like that. It's just that they are not particularly interested in it and so they default to what they are interested in.' (BBC business journalist)<sup>19</sup> Indeed, no interviewee suggested that 'anti-business' attitudes have ever been prevalent at the BBC. Rather it was widely suggested that BBC editors tended to consider business stories less newsworthy than, say, Westminster politics or foreign affairs. This meant that economics and business journalists, in the 1990s in particular, were offered less opportunities to appear on the most prestigious programmes, and thus were afforded a lower status than their counterparts covering other journalistic 'beats'. As has been noted, their attitudes to programme editors were therefore often ambivalent, even hostile, and sometimes took on certain class inflections. A number of interviewees implied that they understood economic hardship in a way that editors did not, and were more 'in touch'. There was a perception that their area of specialism had been unfairly marginalised by the erroneous news values of an elite, whose disinterest reflected their economic and educational privilege.

I think we're in danger of getting in a situation where people work here because they want to tell people they work at the BBC and mummy and daddy sponsor them, basically, and that is a problem. So you end up with people who have a total disconnect. Also people are comfortable. They are middle class. They don't understand the issues that affect 60-80 percent of the population of low pay, low skills, no advancement, trying to make ends meet, unemployment. All those kinds of issues. They haven't ever lived in that kind of environment, they don't know anyone who has and it doesn't mean anything to them. They come to London to work because they want to be at the centre of affairs and when a factory closes in Darlington it doesn't enter into their radar. Their radar just doesn't pick it up.

*So class is a pretty important factor.*

I think class is, yes. But it's not just that. You can be as working class as you want, but to get into the BBC you will have had to go to a good university. (BBC business journalist)<sup>20</sup>

Editors rely for their judgements what they and their fellow chattering class people are discussing. Remember who we are talking about at that time in terms of who gets to be editors at the BBC. That is your classic awful middle-class white cliché. They weren't interested [in business] and they didn't think anyone else would be. None of them had massive debts that they couldn't pay, and couldn't feed their families. (Pauline McCole)<sup>21</sup>

They didn't realise that everyone knows that [business and economics] really, really affects them. They didn't get that. If you're not scrabbling for your customers, if you're not scrabbling for your salary, or for work, or for your house, in a quite definite way, you don't get it. (Former senior editor)<sup>22</sup>

Given that businesses, even 'small and medium enterprises', are owned and controlled by the more affluent and powerful sections of society, such populist appeals from business journalists seem

surprising. Yet a self-identification with ‘real people’ in contradistinction to the perceived elitism of dominant editorial judgements was commonly encountered in interviews. Notably, Paul Gibbs saw his influential *Working Lunch* – reputedly Greg Dyke’s favourite programme – as catering for ‘real working types’ at a time when he considers that BBC correspondents ‘were loathed to talk to real people’.<sup>23</sup> Populist appeals such as this are able to draw on a broader political culture which has tended to see elite power in Britain as lying with traditional status groups, a residual *ancient regime* that had effectively resisted market forces and modernisation,<sup>24</sup> rather than a resilient, highly adaptable, corporate and financial elite. They are given greater cogency by the fact that by the 1990s the organised working class had all but disappeared from BBC business and economics reporting, and with it any notion of ‘business’ as a distinct social interest. Despite Peter Jay’s objections, ‘business’ at the BBC in the post-Thatcher period became a catch-all term incorporating all facets of economic life. As one interview remarks, ‘business’ has become

a catch all term you know: business, economics consumer [affairs], technology, industry, finance. There are fifty, I would say about fifty sectors that you cover in your job. [...] It could be a new gadget. It could be potential for industrial action in the public sector – labour journalism, a labour story. It could be pointy headed economics; what are the aims of monetary policy – whatever. (BBC business journalist)<sup>25</sup>

One former senior editor comments: ‘For me “business” was a handle for something much wider. How business and the world of money affect people’s lives.’<sup>26</sup> This extremely wide formulation allowed for a continued focus on the public impact of macroeconomic policies and corporate decision-making on listeners and viewers – which was certainly important given the BBC’s public service remit, but which has the effect of naturalising business power and overlooking the possibility of economic alternatives. As a professional ideology it was, as was argued in the previous chapter, well suited to justify the practice of public service broadcasting in a neoliberal context; appealing to the audience as a consumer, rather than as a citizen. The consumerist shift was politically significant since the public identified as citizens, and even less so workers, had no obvious interest in neoliberalisation, but the interests of the public identified as consumers dovetails much more comfortably with the neoliberal project.<sup>27</sup> Ironically this consumerist focus, which was developed in part as a strategic response to Thatcherism, was subsequently used to legitimise the more explicitly pro-business shift that took place in the 2000s, when it was claimed that the BBC’s output had focused too much on the interests of the consumer at the expense of the business owner.

### **From consumerism to business populism**

The appointment of Jeff Randall in 2001 took place in the context of an internal ‘debate about whether business, when it was covered at the BBC was too much from the point of view of the consumer rather than the point of view of employer.’<sup>28</sup> Randall’s view was that the BBC ‘simply followed a consumerist line, prices up bad, profits up bad with no attempt to understand the world through the eyes of business’.<sup>29</sup> This perspective seems to have accorded with that of the BBC leadership, but was contested by those who worked in business journalism prior to Randall’s appointment. Interviewees generally agreed that there had been a strong consumer focus in the BBC’s output, but denied that this was inappropriate, or that other perspectives had been excluded. Richard Griffiths, for example, comments:

In my time as a reporter I think we were always very much encouraged to report from the perspective of the concern and relevance to the consumer. None the less we were encouraged to report on complex... complexity. So to give you an example, if we were talking about petrol prices and the differences between upstream and downstream and the common conception of actually that petrol retailers are ripping off consumers, and yet the reality is more complex and the actual profit margin is more the upstream exploration side rather than the downstream retail side. So I think we were encouraged to report from a consumer angle, but equally we would try and explain things that were as relevant to a consumer as an investor. (Richard Griffiths)<sup>30</sup>

Significantly, Evan Davis, who succeeded Peter Jay as Economics Editor in October 2001, says that his approach to consumer issues prior to Randall's appointment had been conducted very much from the perspective of business:

I did take the view that [...] consumer affairs correspondents should absolutely and deliberately see their role as explaining what company decisions are about. Consumer affairs to me didn't mean telling people they are being ripped off by energy companies and how we must, you know, fight back against Fat Cats. For me, consumer affairs meant looking at something, it may be a product launch or a new advertising campaign, and sort of trying to get behind the company decision. So for me consumer affairs wasn't an anti-business agenda. But I can see why people might have felt that. We [...] knew how to do consumer affairs, but we didn't know how to do business.<sup>31</sup>

Another interviewee rejects altogether the idea that the BBC had a pro-consumer or anti-business bias, and is highly critical of Randall:

I think he saw us all (and this is me putting words in his mouth) as a bunch of lefties, bleeding-heart lefties, who just entirely took the consumer view and did regard all business as bad. Now that absolutely wasn't true. It was never true. But of course what we always did, absolutely, was to try and balance things. Because that was the BBC way. That was the thing that we all took incredibly seriously. And so if Centrica, or British Gas as it was then, made a huge amount more profit this year than last year, then we will explain that. But obviously a lot of our time was taken up in describing how the customers felt about it. You know, that it was unfair. But he seemed to think that that was antibusiness. And so it was quite difficult for a lot of us to take that. (Former BBC economics and business journalist)<sup>32</sup>

Mark Damazer commented that nobody in the BBC ever complained to him about Jeff Randall: 'it never, never, never, happened.'<sup>33</sup> Be that as it may, it is quite clear from interviews that existing staff were uncomfortable with Randall's appointment, and a number of interviewees questioned his approach to business journalism:

I think that he wanted to introduce a cheerleading attitude towards business and I think that's very difficult to do if you're a public sector broadcaster who has a duty to the consumer as well as the shareholder. (Former BBC economics and business journalist)<sup>34</sup>

Rory Cellan-Jones describes Randall as 'a very gregarious and sociable, interesting guy to work alongside', but observes that he was 'pretty massively anti-union' and considers that he was 'possibly not pro-consumer enough' and 'a bit too interested in the interests of CEOs rather than consumers.'<sup>35</sup> The former BBC financial journalist Richard Tait, who in 2004 returned to the BBC as a Governor, considers that 'overall Jeff Randall is a very good journalist. He gets very good stories and I don't think his period as BBC business editor was one where he was a cheerleader for business.'<sup>36</sup> This rather sanguine assessment was not shared by all of Randall's colleagues. Shortly after his departure from the BBC, Peter Jay remarked in an email to Evan Davis, 'I can't decide who looks more shady, Jeff or the heroes of his stories!'<sup>37</sup> Most interviewees considered that Randall did operate as a 'cheerleader' for business, though the fact that he got 'very good stories' was obviously valued.

I thought Jeff Randall had a lot of weaknesses. I mean his ultimate weakness was his ideological commitment to free-market capitalism, I mean he basically... at its worst it was propaganda for free-market capitalism [...]. At its best, however, it was good insider journalism. I mean he got the scoop on Chelsea, he got the scoop on Philip Green. (BBC business journalist)<sup>38</sup>

Jeff makes no secret, you know, Jeff is very pro-business and I think he was a breath of fresh air really. [...] I think that he was a bit of a champion and I think he was very good in that he would stand up at the morning meeting and say, 'I've spoken to this person, or that person.' He was very well connected. Very well connected in business. You know, famously mates with Phillip Green and other business people too. And he broke stories. (Richard Griffiths)<sup>39</sup>

Stephen Coulter concurs that Randall was extremely well connected, but is scathing of what he calls his 'mode of newsgathering':

I mean, he is just an arsehole, Jeff Randall. He really is. [...] He was a grumpy guy. He didn't do very much. He moans about the BBC being lazy and overpaid. I mean, he didn't really produce many stories. His mode of newsgathering is playing golf a lot with chief executives. Which is fine, it probably works quite well when you're on the *Daily Telegraph*. But with the BBC and broadcasting you have to be continually on air. I don't think he liked that very much. So he was extremely unpopular and he was very critical of the BBC.<sup>40</sup>

Martin Greig, a former senior producer at the Business and Economics Centre, also makes mention of Randall's newsgathering methods:

Jeff's attitude was very much: no, business should be a celebration of business as a driver of the UK economy, as a driver of the global economy, and as a creator of wealth, and something in which we are all invested in our pension funds. [...] Jeff is not as rigorous in his interrogation, shall we say, of business leaders as Robert [Peston] is. And the reasons for that, I mean, I don't know, again I'm speculating. Jeff obviously plays a lot of golf. And an awful lot of the interviews that he would get would be formulated from conversations he'd had on the golf course. Or at lunch in the restaurants around the City.<sup>41</sup>

Randall may have been unpopular with many of his colleagues, but most interviewees suggested that his presence nevertheless proved advantageous for BBC business journalists, for whom it brought greater opportunities. Randall 'came with the blessing of the Director-General'<sup>42</sup> and acted not only as a 'the singular voice of business', and an 'ambassador on the most significant news outlets', but also as 'someone within the organisation who would stand up and say this is what we need to focus on'.<sup>43</sup>

He did go and talk to the senior editors and push them to understand that the stories we were doing were about work and money, the most basic things in people's lives and they have to get on air because they're what people needed to know. And that was a good thing to do. I can't disagree with that, it was a good thing to do. (Former BBC economics and business journalist)<sup>44</sup>

I think we in general, having feared what the impact would be... actually he was pretty good for all of us because he raised our profile. He had the ability to go down and say, 'You ought to run this on the *Nine O'Clock News*,' and people who would have a few years back never run those kind of stories would say, 'Yes sir,' and jump to it. (Rory Cellan-Jones)<sup>45</sup>

We were taken much more seriously. He had a much more, I wouldn't say pro-business agenda, but much more, you know: before you spend the money, you've got to make a profit; before you employ someone you've got to make a profit, that kind of agenda change, against the: why don't companies employ more people or pay more taxes, or whatever. You know, there are free market companies which are trying to make a profit and unless you understand that, you are not doing your job properly in explaining it.

*And that made your job easier did it?*

Oh yeah, I think it did. Because I'd been complaining – I still do complain – about the ghettoisation of business news. A lot of programmes had business slots, but they wouldn't take business news anywhere else but that slot. They didn't listen to it. They weren't interested in it. They just turned off and got on with something else when it was on because it was not something they were interested in. And you could literally go to meetings where people would say, 'Well I don't understand that and I don't care.' (BBC business journalist)<sup>46</sup>

I think the good thing to come out of it was the criticism wasn't necessarily of the business journalists, it was of the other parts of the BBC who weren't listening to them in that you couldn't make a lead story out of business. It was seen as an uninteresting ghetto and it was quite easy to claim not to know anything about it. It was for a very long time. You know, you could just say, 'Oh that's complicated, that's business. I don't understand that, I'm not running the story.' And the reason for bringing the big hitters in was to tell the managers of the other parts of the BBC that they had to pay attention. (BBC business journalist)<sup>47</sup>

John Fryer considers that there was a definite shift in editorial culture in the 2000s, but emphasises that Jeff Randall should be understood more as a symbol than the agent of this change:

Did his presence change things? Yes it did. Because [when] he came in it was as much making a statement, you know: we've got a big City editor. It was the way he was perceived internally in news that was just as important. [...] So of course Jeff changed things. Just by being there he changed things. [...] The reason he was appointed was because he was the symbol of the change. But the change was coming about for all the reasons we've discussed. It wasn't [...] that Jeff was sitting there imposing any views of his own on us, because that's not the way the BBC works. The programme editors decide what goes in the programmes.<sup>48</sup>

Pauline McCole, in contrast to most interviewees, considers that Randall had little influence on other BBC journalists, or much impact on the broader editorial agenda:

What Jeff had was the remit, because of the support of Greg Dyke, to effectively say to editors, 'Too bad for what you want, I'm going to do what I want.' And he did get away with it to a large extent. And that was a good thing. That was a good thing. It didn't change the culture completely. It changed the culture for Jeff Randall. [...] So programme editors of the *Six* and *Ten O'Clock News* weren't really going to argue with Jeff. That's not to say it changed the culture of how they behaved to most other people working for them out of the business and economics news department.<sup>49</sup>

McCole says that Randall was similar to Peter Jay in that he 'wasn't that interested in being a directing force editorially'. Richard Griffith says

I think he did try to incorporate more of the viewpoint from the City perspective for the audience at 10 O'clock. I think that's probably fair. And he probably tried to engender that kind of viewpoint, to inculcate it, if you like, with other reporters. But you know what? Even Jeff didn't have... Jeff wouldn't control absolutely everything that reporters said. So reporters had to be their own editors, if you like, to some extent, in terms of what they said. We were not heavily censored by editors. We were given a sort of direction of travel I suppose, if that. But we had a lot of freedom.<sup>50</sup>

Others, however, gave a quite different impression. One interview stated that 'Jeff Randall set the tone [and] if you didn't do what Jeff Randall did you got negative vibes coming at you through the management system.'<sup>51</sup> Another recalled:

Jeff Randall will come to our morning meetings and more or less harangue us about being antibusiness and saying we all need to be more pro-business. [...] There wasn't anyone handing down editorial lines [previously]. The first time that ever happened was when Jeff Randall arrived. And Jeff Randall arrived and did it in quite a brutal way. [...] He would say, I don't want to hear anybody saying *this*, or being antibusiness on *this*, or just portraying British Gas results as bad news for consumers. (Former BBC economics and business journalist)<sup>52</sup>

This same interviewee, however, also noted that the pro-business agenda associated with Randall's arrival did shift editorial culture in the business reporters' favour.



### The process of institutional change

All the above gives some idea how the social power of external groups become institutionalised in the material organisation of the BBC. As was suggested in the introduction to this chapter, it is useful to distinguish between the effects of *authoritative* and *diffuse* power. In the present case, the former was certainly key.

It gradually changed [...] because [...] the guys at the very top were absolutely determined that the BBC should lead the way on business and economics and that they had to be part of it. (Former BBC economics and business journalist)<sup>53</sup>

The support came from the top. [...] When I first arrived [in 1990] I think the *Six O'Clock News* on radio had had this business report foisted on them from on high because it was felt there should be a business report, you know, a two minute voice read in the *Six O'Clock News* and I don't think there were that pleased at the News Room level. But because the buy-in was there from the top, it happened. (Former BBC business journalist)<sup>54</sup>

Asked how you change culture at the BBC, Greg Dyke responded that:

You have a heavyweight like Jeff Randall who's a bit of a thug. And he insists. [...] But how do you change culture? You... it's an amazingly top down organisation. If you are the Director-General and you say, 'I want more of this,' actually you tend to get more of this. They don't ignore you. And the news guys knew we were interested in business, that I was interested in business.<sup>55</sup>

Thus though the BBC is a large and complex organisation, its hierarchical nature makes it amenable to top down initiatives. The apparent ease with which Dyke was able to impose this agenda, though, was also thanks to existing systems of hierarchical control and organisational rationalisations imposed by his predecessor – as we saw in previous chapters, the consolidation of relatively autonomous programme making collectives into larger and more integrated units under centralised editorial authority. This meant top down initiatives could be more readily disseminated 'downwards' through the managerial structure, as well as through other well established mechanisms such as the power of appointments, editorial meetings, the 'referring up' system and wider rituals of hierarchical commendation and censure.

The allocation of a greater proportion of the broadcasting schedule to certain programming and production units was another straightforward way in which the leadership was able to increase the prominence of BBC business journalism. Scheduling receives considerable attention in the broadcasting world, since the volume and demographic of viewers and listeners varies considerably over the course of a day and a week. During the period analysed here, business programmes were awarded a much greater proportion of the broadcasting schedule. Moreover, as has been noted, specific slots on existing news and current affairs programmes were allocated to business reporting. As one interviewee notes 'not everything was dependent on editors', there were, as was noted in the previous chapter 'bits of output' that were 'owned' by the Economics and Business Centre.<sup>56</sup> The expansion of business output, both in terms of specific programming and slots on existing programmes, was matched, as we have seen, by a considerable increase in the resources dedicated to economics and business output. This growth, which signalled the perceived 'importance' of business, allowed for a greater volume of economics and business 'news' (and other outputs) to fill not only slots and programmes specifically allocated for economics and business, but also other potential outlets.

The thing is it was a bit chicken and the egg in that because they now had the people and the capacity to cover business in more depth they did more of it. (Former BBC journalist)<sup>57</sup>

There was something of the 'the more you do, the more you have'. You've got a lot of outside broadcast trucks, so you go to a lot of places. You have 24-hour news, so you find news of a kind to fill it. (Peter Day)<sup>58</sup>

The important point here is that a particular distribution or redistribution of programme making resources (including 'human resources') translates into certain patterns of output. This occurs independently of events in the real world and to some extent also of explicit editorial judgements by those most obviously involved in editorial decision-making. An important aspect of the allocation of resources, or closely related to it, is the power to create particular journalistic roles with a certain professional remit or journalistic 'beat'. Despite the fact that BBC journalists are widely regarded as 'generalists', they nevertheless operate within a strict division of labour. Political reporters focus largely on the machinations of Westminster politics, whilst business and financial correspondents focus on the City of London and the corporate sector, and to a lesser extent 'Small and Medium Sized Enterprises'. Journalistic divisions of labour mean not only that particular sections of society or particular issues are more likely to be covered, but also that they are covered in a certain fashion, privileging certain perspectives and sources. A good illustration of this comes from a discussion of privatisation with a former BBC business journalist.

You had to be careful in terms of, you know, you were reporting on a business story, you weren't commenting on the rights and wrongs of whether this privatisation was a good idea. And that was never explicitly said, but you were aware to stay... to leave the political angles to the political correspondents.<sup>59</sup>

As this comment suggests, particular roles carry with them certain assumptions about how a 'story' should be covered, and this is especially important when it comes to questions of democratic accountability. It was implicitly understood by the reporter just quoted that normative questions about power and distribution were not an appropriate terrain for a business reporter. Business journalism, perhaps because of its origins as an information service *for business*, tends not to interrogate the social and institutional context in which capital accumulation takes place, much less question the legitimacy of business power.

When you're doing business coverage [...] you're very much caught up in the day to day things. You don't have the time to look at long term and say, 'Is this model of capitalism necessarily ideal or sustainable?' It's not the kind of thing news journalists do. [...] You're a reporter, you're sent to cover Marks and Spencer's results. You're thinking, 'Okay, shareholders, what are they going to think? People who shop at Marks and Spencer's, what are they going to think? What's the City going to think?' Those are the things you are thinking of. (Stephen Coulter)<sup>60</sup>

[T]here's just not the numbers of journalists who do good journalism in business and finance who... I mean most of them are just looking, you know they just want to get a story away and they want to be... and so naturally the event, the big deal is what will get them on air and they are less interested in criticising all the structures that lead to excessive takeovers, or whether takeovers work in practice very well. What they are interested in doing is just getting on air. (Will Hutton)<sup>61</sup>

It should be emphasised that it is certainly possible to develop a more penetrating analysis within the remit of business journalism, and it was evident from interviews that many journalists sought to do so, but it is also clear that there are considerable pressures for conformity. The interviewee quoted below was particularly conscious of the failings of mainstream business reporting:

And if you want my opinion, the focus on all these results stuff and day-to-day market stuff, whilst is not completely negative, I would say is not necessary. I think that most news bulletin should probably stay away from it. And that is, I think, where ideology was created at the BBC; that, you know, profit is good, markets must be interesting, businesses should be studied from the point of view the outcome, the profit and loss outcome, and therefore then the share price, and we lionise the CEO. I think it's even not very functional for straight business reporting, because who you should be lionising is the COO. Or you should be understanding that the marketing director does something. Or you should be looking at the RND facility. [...] And at its worst two-dimensional business journalism never asks those questions. And what the BBC simply did was at its worst during that decade [the 2000s] is it simply took on the two-dimensional business

journalism approach – did it, I think strayed unacceptably sometimes, I think, into lionising certain individual bosses. Philip Green would be one example. (BBC business journalist)<sup>62</sup>

This, though, was an unusually critical perspective, not to mention one which remains orientated towards the interests of business, albeit with a more critical eye. Most interviewees emphasised the effort that was made to maintain balance or impartiality in their reporting ('you really did your damnest to be even handed – really it's a professional thing more than anything'<sup>63</sup>). Such 'balance', however, tended to be weighed, as another interviewee concedes, within the conventional confines of a 'business story'.

If you just do business then you are representing the interests, you are representing the story, of the company and the limited number of people who own the company rather than the greater interests of the population or even the workers. (BBC business journalist)<sup>64</sup>

The accepted balance within a business story was subject to a deliberate rebalancing under Greg Dyke. A senior editorial figure from that period remarks that Jeff Randall's appointment was intended to bring about a 'more balanced view of business'.<sup>65</sup> This phrase acknowledges that Randall was intended to bring about a shift in BBC business reporting, but implicitly assumes the propriety of the appointment – Randall brought balance not imbalance in the BBC's output. Mark Damazer, meanwhile, seems to deny that Randall's attitudes to business impacted at all on the BBC's editorial agendas, commenting that despite Randall's 'belief system and his background, he was far too good a journalist to ever let that get in the way of telling the story the way the facts seem to be suggesting that the story might be told.'<sup>66</sup> This is not in the least bit convincing. If the way in which a story is told could be suggested by the facts alone then it would not have been necessary to appoint Randall; the facts themselves would have determined how 'stories' were constructed. Evan Davis has written:

Peter Jay was fond of reminding me that in economics (and in many other areas too), facts are scattered all over the place. Good reporting [...] is about making judgements as to the significance of the available facts, and the pattern that fits them together. [...] Do you really want Jeff Randall to report a British Airways profit figure, without 'commenting' on whether that is good or bad?<sup>67</sup>

What is very clear from Damazer, and other senior figures, is that Randall was appointed to institute a shift in news values; to reshape in other words the professional norms which determine how particular facts are selected, arranged, interpreted and explained to form a 'story'. Moreover, it would appear that Randall's 'belief system', far from being an incidental trait which could be overcome by his integrity and professionalism, was central to his appointment and his remit.

Asked about the appointment of Jeff Randall, one interviewee wryly remarks that 'the BBC's got this habit of whenever there's a problem in a particular area of journalism they make somebody the editor.'<sup>68</sup> Indeed, the appointment of a senior figure to lead particular areas of reporting is clearly a key mechanism for the wider dissemination of particular perspectives. As we have seen, interviewees differed as to what extent Randall in particular exerted a direct influence on reporting, but most considered that he had influenced judgements among editors. Asked if their attitudes changed, one senior figure replied: 'Did editors wake up and smell the coffee in 2001? Yes they did.' (Former senior editor)<sup>69</sup>

Though there was some displeasure with the rebalancing Randall attempted to institute, for business journalists his presence proved advantageous since it increased their status and opened up greater opportunities. Indeed, a significant aspect of the process of institutional change that took place was the fact that it was in the professional interests of BBC business journalists for the business world to be given greater prominence in the BBC's output, since the news production process had been structured in such a way that reporters had to effectively 'lobby' editors to run their material.

In a way the BBC's a big market place with people who put programmes out, producers of programmes, being the commissioners. And we have to go and sell ourselves to them. [...] [We] might think it's a great story, but we've then got to go and really sell it quite

hard, you know, on a busy day. [...] Part of our job is to fly the flag for the stories we do and get them on air, you know, where at all possible. (Hugh Pym)<sup>70</sup>

You felt, going down to the news room, you felt you had to be the advocate of business. You had to fight for a piece of your own area. You're fighting your own stories on. The *One O'Clock News* – you know there's a hierarchy, *One O'Clock*, *Six O'Clock*, it used to be *Nine*, but *Ten O'Clock* evening news now. (Iain Carson)<sup>71</sup>

You do end up, I suppose, if you are not careful, lobbying for businesses, if you are putting their side across.

*And how do you avoid that outcome?*

Well, you have to pick the stories. You know, we do an awful lot of stories critical of business. So, you know, banks fixing LIBOR rates and oil markets and consumer journalism and all those kind of things. But you also have to admit that we spend an awful lot of time defending business. You know, when you have editors who are saying, you know, 'Centrica's made a billion, that's disgusting because everyone's having trouble paying their fuel bills,' you have to point out that, well they make an awful lot of money in other areas as well. (BBC business journalist)<sup>72</sup>

The proliferation of business journalists at the BBC then represented not just an increase in 'human resources' for the production of output, it also had a more subtle impact on institutional culture and editorial agendas since business journalists were incentivised to promote the interests and perspectives of business to editors who were not naturally disposed towards the business world. This internal 'lobbying', which was given greater force by the explicit support of the BBC leadership, combined with the market orientated institutional changes outlined in Chapter 5 to create a far more business-orientated environment. The attitudes of editors, identified by '90s era business journalists as major institutional obstacles, thus underwent a considerable shift.

I think attitudes have changed. They are particularly changed – and this may be because of the new generation of editors across radio and TV – in that those editors [...] will actually come out and say, 'I need something on the Bank of England inflation report,' or whatever. They will come and seek you out and ask for things. And they say now how important it is and they probably know the bones of the story as well as you do. Which is such a big change. (Former BBC economics and business journalist)<sup>73</sup>

Discussing the need to 'sell' business stories to programmes, Jon Zilkha, head of the Economics and Business Centre, remarks that 'each of those programmes will know that their audience at the moment is hyper interested in anything to do with finance, economics, business. So, you know, you tend to be pushing at a bit of an open door at the moment.'<sup>74</sup>

Richard Tait is one of a fairly small number of interviewees who linked this cultural change to the changes in the BBC's organisational structure and the broader shifts in the political economy of the news media.

It was a public service organisation [when I joined] and therefore most people who were in it hadn't worked for commercial organisations. You have to remember in the '70s when you went into broadcasting they were not quite jobs for life, but there wasn't quite the same movement around that there is now. Most people who make business programmes now in Britain probably work for commercial organisations, they work for independents. They may own the independent themselves, or be partners in them. So they just instinctively understand business much better than somebody who joined the BBC which in the 1970s was like joining the civil service. It was run like the civil service. The salaries were based on the civil service regime, it had a very rigid grading system, it was quite strongly unionised, and relied entirely on its income from the licence fee, and therefore that just wasn't a culture that instinctively understood the world of business. [...] With the growth of all these new channels, lots of people now working for the BBC have worked for ITN, which has had a pretty torrid time as a business frankly

over the last 15 years, they've worked for CNN or NBC, an American broadcaster, they've worked for Al Jazeera. These are very complicated companies with all sorts of business problems which you have to know about, because it's your employer. It's not like working at the BBC and wondering whether the licence fee is going to be increased. So those people are much more conscious of business issues just from their daily life. And also, as I say, Producer Choice, and one of the things the Thatcher government did was impose a quota on independent production. It did mean that a lot of people who were themselves running small businesses, or medium-sized businesses, ended up making programmes about business for the BBC.<sup>75</sup>

Richard Quest was another interviewee who recognised the connection between the BBC's organisational structure, its funding regime and its journalistic culture:

They still do not embrace the market economy in the same way as we would at CNN. Now it may have changed because a lot of people had their, you know, the pension scheme has changed at the BBC so it is now a money purchase scheme as opposed to a defined salary scheme. So they are much more aware of what happened and the changes. But in the context of the 1980s where you have an organisation that is highly liberal like the BBC where there is a natural inbuilt resistance to the sort of capitalist privatisation Sid, BT Sid, mentality [...].

*So are you suggesting that your environment... that if you are operating in a business you are going to cover a business differently?*

Oh I think you are, absolutely. If you know that CNN is a division of Time Warner... sorry, CNN is a division of Turner Broadcasting, which is a division of Time Warner. We have on CNN International five or six core business programmes a day of which mine is one of them. And we know that the advertisers love them.<sup>76</sup>

Quest here alludes not only to structural changes at the BBC itself, but also to the political economy of the broader news media which along with other shifts in political economy in the neoliberal period was one of the more diffuse forms of power which had an indirect influence on the internal news values of the BBC.

### **The question of politics**

Nick Jones, BBC TV's Labour Correspondent for much of the 1980s, provides an overview of the key factors which influenced the transformation of BBC business and economics reporting from the mid-1980s onwards:

There were a number of forces that were pushing this change. First of all there was the privatisation programme, which unleashed the whole prospect of share ownership. I mean there was a great big push by the Conservatives to push profit share ownership deals on workers. The whole sale of Telecom, BT, [British] Gas, it was all floated on share offers. So there was this tremendous drive by the government. Running parallel with that is the tremendous upsurge in the newspapers. Because the newspapers after '86, but it was beginning before '86 of course, we had the Wapping adventure where Murdoch is able to beat the print unions and now the floodgates are open on the space that is now available in newspapers, because of course the print workers can't hold things back. And that of course unleashes a whole wave of financial supplements. [...] So the whole momentum is beginning to change and what one begins to notice is that instead of there being just a silly little bit in the news summary, the news bulletin at *Six O'Clock* where they would have a line about the pound and perhaps something about shares, suddenly there was a demand for much, much more in-depth coverage. Because people had shares, people were being encouraged to open up bank accounts and mortgages, I mean the whole thing was taking off, you know, on the personal finance front. And of course these financial products were being advertised. [...] So we had these factors all coming together: the expansion of interest in financial news; this determined push by the

government; a sense in news rooms that the unions were finished: 'Nick. Don't you know the unions are finished? We don't want it anymore.'<sup>77</sup>

Jones here describes a shift in 'news values' that took hold amongst BBC editors which he links to a number of interlinking changes in culture and political economy, including the political economy of the private media. As Jones notes, these shifts, which gradually transformed the BBC from the late 1980s onwards, were the outcome of 'a great big push by the Conservatives'. One of the key questions I therefore sought to address through interviews was to the extent to which the move towards a more consumerist and pro-business orientation was seen as a *political* shift by BBC journalists.

Interviewees overwhelmingly interpreted this question as one of party politics and most suggested that the changes to BBC journalism were not politically driven. Steven Coulter was unusual in drawing a connection between the reorientation of the Labour Party under Tony Blair and Greg Dyke's veneration of business at the BBC:

Dyke was very close to Blair who incidentally shared his pro-business orientation. He tried to guide the Labour Party to a more pro-business orientation and Dyke was very much in parallel with this. They both very much thought the same way: that the left can't get away with thinking that business is the enemy of the people. You know, their interests were coterminous, he very much thought along Blair's lines. And he was rewarded, you know. He's a big Labour Party supporter and they got a very generous licence fee arrangement.<sup>78</sup>

The policies of the Thatcher government were mentioned much more regularly than the neoliberal reorientation of the Labour Party – perhaps a reflection of my lines of questioning – but in any case interviewees tended to reject the implication that the social changes which originated with the Thatcher government, and which subsequently transformed BBC journalism, should be understood as 'political'.

It didn't seem to me to be political. It seemed to me though that as you mentioned everything is always in the context of the time at which it is happening. The context of those times were the rise of Thatcherism, the rise of popular shareholding, which had never been done before, and that of course... that is what made it imperative to explain company news and things to people who had never been interested. Because suddenly... I mean when I was in radio at the BBC at that stage you had the BT share issue which was the first and most massive attempt at popular capitalism, and this was utterly and completely new. [...] All the Tell Sid campaign for British Gas flotation. All which, as you say, was part of the Thatcher era. I wouldn't say that was at all... It didn't seem to me that was political. It seemed to me that it was an absolutely necessary response to the fact that suddenly these things were beginning to be of a much broader interest than they had previously been. [...] Of course the coverage was not done in an uncritical way. That would have been entirely inappropriate. It wasn't done in the cheerleading way, it wasn't done in a pro-Thatcherite, pro-shareholding way. [...] I think it was done in as fair a possible a way, and certainly not in an uncritical way. (Richard Quest)<sup>79</sup>

There are a lot of stories out there. Lots of privatisations which people really cared about, because you can make a bit of money. So Sid, British Gas, that was of huge interest to ordinary people and the sale of council homes in the housing market. Again, actually I joined just as we were about to fall into one of the worst recessions ever, the early 90s recession. So you kind of saw the other side of the Thatcherite revolution there very clearly, and it was a very painful side too. I talk to people who lost their homes, who had overborrowed, and it was terrible. We had to tell that story too. So don't think it was just kind of a thoughtless and pro-Thatcherite revolution at the BBC, it wasn't. (Former BBC economics and business journalist)<sup>80</sup>

One interviewee suggested that the BBC business journalists of the Thatcher area were personally opposed to Thatcherism, though the recollection of another interviewee, which follows, contrasts starkly with this claim:

I think that a lot of the people [...] in the unit who were, if you like, business correspondents, didn't agree with all of the Thatcherite changes either. Thought that the privatisations, I mean they were a big story still then, were wrong headed, daft, weren't going to work, and based on crazy economic theories. And these people like Littlechild and Claire Spottiswood in Electricity and Gas were frankly, we thought, figures of fun. We thought it was bonkers. So it wasn't the case that there was some supine acceptance of the Thatcherite agenda, I mean, on the contrary. (Former senior editor)<sup>81</sup>

In the early 90s there were a smattering of women in the economics and business unit, but not many. And the top correspondents at the time [...], how could I describe it? They had a numbers fetish. They were all pushing and competing fiercely with each other to get on air with the stories that the biggest numbers. So it would be millions and billions have been spent on whatever! Or billions have been lost from the FTSE100 today because of X! And you just thought, 'Oh, give it a rest.' It was all about big figures. I mean to be honest it reminded me a bit of the character Harry Enfield used to play, which was, 'Look at the size of my wad.' It was a kind of loads-of-money culture about huge amounts of money being made in the City of London. And it was relentlessly Thatcherite and male and chauvinistic and unpleasant. (Former BBC economics and business journalist)<sup>82</sup>

Whilst these last two quotes paint quite different pictures of how BBC economics and business journalists related to the neoliberal reforms of the Thatcher era, all interviewees who worked at the BBC during that period agreed that privatisation, 'Big Bang' and other major policies of the Thatcher government were not only 'big stories', but were central to the growth in BBC business and economics journalism which followed.

There was certainly a buzz around the whole area [in 1990] and I suppose it wasn't that long after Big Bang and, you know, I suppose the repercussions of Big Bang kind of reverberating through London certainly. I think they took their time to get the BBC, but when they did there was just a big expansion of business output. And I was part of that. (Former BBC economics and business journalist)<sup>83</sup>

You've got to remember also that [there was] a hell of a lot of change over this period, leaving aside what we've discussed. I mentioned the privatisation for instance, you know that Tell Sid or whatever it was. And of course you know all of that stuff, and the rise of the ordinary shareholder in these previously nationalised industries and the general awareness of people that their pensions were held in shares and therefore there was a direct interest there. Or even people taking out unit trust investments and realising their investments were held in companies and therefore what the FT index did was important. I mean all those things underlay the belief that we could not carry on doing things in silos. (John Fryer)<sup>84</sup>

In discussing these changes, interviewees most often referred to the increased 'importance' or 'significance' of business; and when asked about the simultaneous decline in labour or industrial reporting tended to refer to the declining 'influence', 'importance' or 'significance' of trade unions; the steep decline in union membership was also mentioned, though less regularly. Significantly the increased power or influence of business was never raised as a factor. Rather interviewees tended to emphasise that business had become more important journalistically, or more concretely that business had become more significant in the lives of the BBC's audience – in short, that there had been a growth of interest in, even enthusiasm for, business, finance and markets. One interviewee remarked:

Post-Thatcher, after the privatisations had happened, the British were quite, you know, shareholder democracy, arguably. [...] And then I think as a result in the outlets that had expanded in the BBC there was a sense that that had to be reflected. And I think that's

why you had say *Working Lunch*, which was very much geared towards the consumer and reflecting that, you know, the concern of the consumer. And also even probably *Business Breakfast* a bit. Because at *Business Breakfast* we also had slots that made up part of Breakfast News, which were heavily consumer. And I always knew [...] my piece would run on Breakfast News [...] So I think it was organic, it was a reflection of society... (Richard Griffiths)<sup>85</sup>

Such perspectives were by no means universal,<sup>86</sup> but the assumption that as a result of cultural change in the neoliberal period there was a public demand for business and economics journalism, to which the BBC somewhat belatedly responded, seemed to represent a sort of common sense amongst interviewees. In the following section we empirically examine such assumptions and consider the broader question of the level of popular support that pro-business, neoliberal reforms enjoyed amongst the public.

### **Culture and political economy: social change under neoliberalism**

In general terms there was, during the thirty or so years between the ‘Winter of Discontent’ and the collapse of the world financial markets in 2008, a decline in collectivist social organisation and an expansion of markets and private ownership in the UK. Between 1979 and 2006, the proportion of publicly owned enterprises decreased dramatically from 12% to just 2%.<sup>87</sup> Trade union membership declined considerably, whilst the number of small businesses and individual shareholders increased considerably.

The changes during the Thatcher period were particularly dramatic, but those same trends continued up to 2008. In 1979, total trade union membership, according to Department of Employment statistics, reached a peak at just under 13.5 million. By 1991, this figure had fallen to just over 9.5 million. In terms of the percentage of the work force, this represented a dramatic decline from 53% to 34.4%.<sup>88</sup> This decline continued, somewhat abated, in the post-Thatcher period. By 2001 trades union membership had fallen to approximately 7.8 million, just over 29% of the workforce,<sup>89</sup> and by 2009 the figure had declined further to 7.7 million, or 27% of the workforce.<sup>90</sup> Over the same period, the proportion of individual shareholders amongst the public increased substantially. In 1979 there were approximately 3 million individual shareholders in the UK, but by the end of the Thatcher period there were close to 11 million. In percentage terms, there was a dramatic increase in the proportion of households directly owning shares from approximately 7% in 1979 to over 25% in 1991.<sup>91</sup> Though this figure declined to just over 20% in 1994,<sup>92</sup> research suggests that there was then another substantial increase in the late 1990s. Using family resources survey data, Banks and Wakefield estimate that whilst 21.3% of households held direct stocks in 1995/6, this figure had risen to an historic high of 27.9% in 1998/9.<sup>93</sup>

Supporters of the neoliberal turn have pointed to such trends as evidence of a popular cultural shift away from ‘collectivism’ and towards ‘popular capitalism’ or ‘share owning democracy’. The Thatcherites certainly intended to institute such a shift. Thatcher herself, on the day of her resignation, boasted to the Commons that her government had ‘given power back to the people on an unprecedented scale’, noting that 11 million people owned shares and that 700 new businesses had been established every week under her premiership.<sup>94</sup> Her minister, John Moore, dubbed ‘Mr Privatisation’, claimed that her policies had spread ‘power, wealth, and decision-making’ and with them the ‘fundamental beliefs and values of free enterprise’.<sup>95</sup> Certainly the Thatcherites achieved some considerable successes, but did the political-economic shifts of the neoliberal period really spread ‘power, wealth, and decision-making’? And did privatisation, financial deregulation and related policy initiatives institute a shift in popular ‘beliefs and values’? We will now explore these questions in more detail.

### **A share-owning democracy?**

In the BBC’s evidence to the Budd review, Robert Peston argued that Britain was in essence a nation of shareholders. ‘[M]ost of us are owners – if we save in a pension fund – of every substantial UK listed company and many overseas businesses’, Peston argued and ‘the dividends they generate will sustain most of us in retirement’.<sup>96</sup> In his book, *Who Runs Britain?*, Peston goes as far as to argue that



‘any company should be prepared to pay almost whatever it takes to secure and retain the services of the best chief executive on the market, so long as his or her remuneration rises and falls with the returns *generated for us as shareholders*.’<sup>97</sup> Peston’s argument, in essence, is that the interests of the BBC’s audience are tied to those of the corporate elite through the former’s financial stake in corporate Britain. This is an apologia for big business and business journalism which relies on a deeply ingrained post-Thatcherite ‘common sense’.

As has been noted, there was certainly a significant increase in direct share ownership in Britain during the neoliberal period, but a closer examination of the trend is revealing. The historic high of 25% in 1991<sup>98</sup> was closely related to the top-down privatisations measures and only three years later this figure had declined to just over 20%.<sup>99</sup> Crucially, there is little evidence to support the notion that the privatisations led to any significant cultural shift. Banks and Wakefield note that despite there being some evidence that privatisation indirectly increased share ownership,

it is difficult to reconcile the argument that the privatisation process may have played an educational role in teaching people about share-ownership, with the fact that a large proportion of shareowners at the end of the 1990s only hold shares in privatized industries or the recently demutualized building societies.<sup>100</sup>

The demutualisation of building societies in the 1990s, like the privatisations of the 1980s, also impacted significantly on the percentage of the population who directly owned shares – indeed they led to an historic high at the end of that decade – and on the face of it would seem to offer stronger evidence of an organic shift away from collectivist organisation and towards the market. But again a closer examination is revealing. The reason behind the demutualisations of the 1990s are various, but Stephens finds that of the ten cases examined, only Bradford and Bingley was demutualised by managers under pressure from members, partly because it had failed to take adequate measures against ‘carpetbaggers’ – that is new customers hoping to benefit from an expected windfall resulting from the conversion to a PLC. The remainder, i.e. 90% of the demutualisations, are attributed by Stephens to corporate strategies related to pressure from, and for, takeovers and mergers.<sup>101</sup> Tayler notes that even in the case of Bradford and Bingley (which was later bailed out by tax payers) the management reversed its opposition to demutualisation without a binding vote from members. He argues that the demutualisation were driven primarily by building societies’ management, motivated by a desire for the acquisition of lucrative stock options, ‘corporate type salaries, bonuses and perquisite benefits on a scale very much greater than anything available to building society managements.’<sup>102</sup> After the management led wave of demutualisations (somewhat artificially) inflated the number of private shareholders in the UK, the numbers of individual shareholders declined dramatically. Whilst Banks and Wakefield found that just under 28% percent of the population owned shares at the end of the 1990s, research by the Office of National Statistic found that approximately a decade later only 14.9% of British households directly owned shares,<sup>103</sup> a decrease of approximately 47% compared with Banks and Wakefield’s figures for 1998/9.

Apparently unaware that the ONS figure for 2008 represented a dramatic *decline* in rates of share ownership, the *Daily Telegraph* claimed, somewhat audaciously that year that ‘Margaret Thatcher’s dream of creating a shareholder democracy’ had finally been realised.<sup>104</sup> Two weeks later, it published another article under the headline, ‘share ownership falls to all-time low in Britain’. It reported that new ONS data

highlight[s] how the Thatcher revolution in private share ownership failed to create a lasting impression on the stock market, while more recent turmoils in the market such as the dotcom bubble bursting and the financial crisis of 2008 have led to individual consumers owning ever smaller share portfolios.<sup>105</sup>

The ONS found that in 2008 the percentage of UK shares held by UK individuals fell to just 10.2% (even including shares held by company directors), the lowest ever recorded. UK individuals had owned 54% of UK shares in 1963, a figure which had fallen to 37.5% by 1975. The subsequent decline during the Thatcher era was especially notable, with the percentage of individual owners falling from 28.2% in 1981 to 20.3% in 1990. Whilst the proportion of shares held by individuals had fallen to 10.2% by 2008, the percentage held by banks and other financial institutions was 13.5%,

whilst the percentage held by foreign owners was as much as 41.5%, a figure which was only 3.6% in 1981.<sup>106</sup> What these figures point to, in summary, is a significant increase in the proportion of UK individuals owning shares (largely it would seem as a result of privatisation and demutualisation) and a simultaneous decline in the economic power of individuals compared with that of financial institutions and international capital. Finally, it is worth noting that the figures on rates of individual share ownership disguise the unequal distribution of shareholdings between different socio-economic groups. In its 2010 report on share ownership, the ONS found considerable differences in the value of shares held by different households. Whilst the average value of shareholdings was as much as £24,000, the shares owned by half of UK households were valued at £4,000 or less, leading the ONS researchers to speculate that many of the direct shareholders were likely to still be attributable to the privatisations of the Thatcher era, or the demutualisation of building societies and insurance companies.<sup>107</sup> This points once again to the limited cultural significance of the increase in the proportion of share ownership. Moreover, the figures are suggestive of a very high proportion of shares in the upper quantiles, undermining the notion that ‘power, wealth, and decision-making’ has been more evenly distributed. The assumption that shares are unevenly distributed across the population is confirmed by Banks and Wakefield’s study, which found that (in 1998/9) more wealthy homes were far more likely to directly own shares. An estimated 1.6% of the lowest wealth quantile was found to hold directly owned shares, compared with 59.5% of the wealthiest quantile, and 80% amongst the top 1% of households.<sup>108</sup> Moreover, as one would expect, the quantity of shares varies considerably. Bank of England figures from 2011 found that the average gross financial assets (which also includes bank deposits and reserves held by insurance companies and pension funds) of a medium household was only £1,500, whilst those of the top 5% households were as much as £175,000, and comprised 40% of the total share of household financial assets.<sup>109</sup> Even Robert Peston’s shareholder nation argument, which is based on share ownership via pension schemes, seems questionable on closer inspection. Whilst pension funds certainly hold a large portion of UK shares (12.8% in 2008), a poll conducted by the BBC in 2009 suggested that half of UK adults aged between 20 and 60 were not putting any funds into a pension. It found that of those under 30, only 36% had a pension, whilst the remainder could not afford to do so because of high levels of personal debt.<sup>110</sup>

### **An enterprise culture?**

So much for the shareholding democracy. What of entrepreneurialism? As Parker notes, ‘commentators have claimed that reforms to the UK labour market and welfare system in the 1980s created an “entrepreneurial culture” in which self-employment and entrepreneurship were allowed to flourish.’<sup>111</sup> As was noted above, there certainly was a significant increase in the number of registered businesses from the 1980s, as well as an increase in the proportion of self-employed people making up the work force.

The Office for National Statistics has a data series recording the number of VAT-registered ‘legal units’ in each year from 1984 to 1995 (with slightly different criteria for 1993-5). These figures clearly show an increase in the number of registered businesses in the UK during that period, with the total increasing from approximately 1.5 million in 1984 to approximately 1.8 million in 1991 – an overall growth of over 7%. A separate dataset, measuring ‘small and Medium-sized Enterprise’, suggests a continued growth in the number of such businesses between 1994 and 2008, with the total increasing from approximately 3.6 million to 4.9 million respectively.<sup>112</sup> Such data, Moran suggests, points to the ‘structural revival, or at least stabilization’ of the UK small business sector, following a ‘long structural decline’ during much of the 20<sup>th</sup> century. Whilst certain sectors, notably small retail, have become increasingly dominated by large corporations, Moran notes, there has been a notable growth particularly in small business services companies during the same period.<sup>113</sup>

Placing too much emphasis on this apparent revival in small and medium size business, however, can obscure the power dynamics present in the political economy. Summarising the literature on the assumed rise of entrepreneurialism in the neoliberal period, Down cautions against focusing on the small and medium size firm as a unit of analysis, since doing so ‘obscures more important changes which have occurred to the power relationship between smaller and larger organisations’ and ‘downplays the more structural arguments about where the power to shape the economy lies’.<sup>114</sup>

Indeed, crucially Harrison has noted that the apparent fragmentation of certain industrial sectors into smaller firms does not necessarily suggest a wider dispersal of power.

Rather than dwindling away, concentrated economic power is changing its shape, as the big firms create all manner of networks, alliances, short- and long-term financial and technology deals – with one another, with governments at all levels, and with legions of generally (although not invariably) smaller firms who act as their suppliers and subcontractors.<sup>115</sup>

A more fundamental problem in relying on statistics on the number of businesses as an indicator of broad cultural change though, is the fact that such figures do not reveal the proportion of the population involved in such activity. For this reason, the best indicators are labour force statistics, with self-employment rates acting as a proxy for ‘enterprise culture’.

According to OECD Labour Force Statistics, aggregate self-employment rates in the UK (excluding agricultural workers) rose from approximately 7.1% in 1980, to 12.4% in 1990. This is a significant rise, though it was consistent with earlier trends – rates of self-employment in the UK were on the increase in the previous two decades, they were approximately 5.9% in 1960 and 6.27% in 1970<sup>116</sup> – and in of itself is not evidence of an entrepreneurial culture. ‘More detailed and careful analysis,’ of the Thatcher period, Parker notes, ‘tends to rebut the view that the 1980s witnessed a renaissance in the British entrepreneurial spirit.’ He cites Blanchflower and Freeman’s conclusion that since the transition from paid employment to self-employment (as opposed to from unemployment or non-labour force status) did not increase during the 1980s, ‘it is hard to believe claims that an “enterprise culture” has been established’.<sup>117</sup> Putting the Thatcher era self-employment figures in context, Meager notes that whilst ‘self-employment grew by nearly a million (from 11.4% to 14.0% of total employment)’ between 1984 and 1994,

It turned out that it mainly reflected factors such as ‘labour-only’ sub-contracting in the construction sector, contracting-out of service functions in the public and parts of the private sector, and programmes such as the Enterprise Allowance Scheme, subsidising unemployed people to start businesses.<sup>118</sup>

Meager cites ONS Labour Force Survey statistics, according to which the proportion of the self-employed among the UK workforce having risen significantly during the ‘80s, declined during the 1990s to around 12%, increased slowly to 13% during the 2000s before increasingly steeply by another 2% following the financial crisis of 2008. But as Meager et al note, the Labour Force Survey’s self-employment statistics include not only entrepreneurs and small business proprietors, but also economic groups who do not correspond as closely to ‘the model of autonomy and independence implicit in the popular conception of self-employment’, for example farmers, freelancers cultural workers, some categories of home-workers or ‘outworkers’, subcontractors, and others who ‘might better be seen as “disguised employees”’.<sup>119</sup>

As with statistics on small and medium sized businesses, we must take note of structural factors which influence economic behaviour. There is a distinction in the literature between ‘opportunity entrepreneurs’ and ‘necessity entrepreneurs’, that is those effectively forced into ‘entrepreneurship’ by life circumstances, or structural changes to the labour market. Necessity entrepreneurs, Solimano notes, ‘operate, mainly, in the service sector and micro-firms, with reduced financial and technological requirements and very tight access to funding’.<sup>120</sup> They ‘often earn a rate of return that is not very different from the wage of a middle rank employee in the formal sector but [are] subject to greater uncertainty and vulnerability’ and may ‘prefer to be salaried rather than self-employed, should the choice be open to them.’<sup>121</sup> Most literature on entrepreneurship in the UK suggests that ‘necessity entrepreneurship’ is low compared to less wealthy countries. Research by the Global Entrepreneurship Monitor (GEM), for example, suggests that ‘necessity entrepreneurship’ constitutes just under 20% of what it defines as the ‘Total early-stage Entrepreneurial Activity (TEA)’.<sup>122</sup> An interesting study in this regard (cited by Meager et al), is Dawson et al’s *Why Do Individuals Choose Self-Employment?*. It found no evidence of ‘necessity entrepreneurship’ in the UK, but also found little evidence that people choose self-employment in response to market opportunities. Rather those moving into self-employment were found to be motivated by a desire for ‘independence and/or

financial rewards, and, particularly in the case of women, lifestyle considerations'.<sup>123</sup> This suggests that statistics that are often taken to be evidence of 'entrepreneurial spirit' are as likely a reflection of a desire for greater freedom from the strictures of corporate life, or simply a conformity to occupational norms. Indeed, Meager et al suggest that of the ONS Labour Force Survey's total, only a small number can be considered 'true "opportunity" entrepreneurs who become self-employed because they have spotted a market niche.'<sup>124</sup>

Perhaps the most reliable data for proportions of 'entrepreneurship' in the UK population is the aforementioned Global Entrepreneurship Monitor, which has survey data for the UK dating back to 2002. It suggests that the percentage of working age population who were established owners or managers of businesses in the period 2002-8, was between 5% and 6%, whilst those the GEM defines as 'nascent entrepreneurs' – who themselves may also be established business owners or managers – never constituted more than 3% of the working population. Those who expressed an intention to start a business during that period was found to be between 6% and 9%, whilst those with no entrepreneurial intention or activity never fell below 83% of the working population.<sup>125</sup>

### Beliefs and values

When Robert Peston writes that 'Thatcher's ideas were to gain near universal acceptance',<sup>126</sup> he is expressing a common sense that is deeply entrenched in elite political culture. But as Jackson and Saunders note, 'there is little evidence of the broader cultural change so often associated with the Thatcher era':

Survey evidence does not support the emergence of more individualist popular attitudes, and the Conservative share of the vote actually declined in each election from 1979 to 1992. On this evidence, the British electorate was not significantly 'Thatcherised'; nor was it persuaded of the Thatcher government's ideological claims in relation to full employment and the welfare state.<sup>127</sup>

Whilst polling data suggests the Thatcher governments could plausibly claim some initial public support for tax cuts, trade union reform and privatisation,<sup>128</sup> the expansion of the neoliberal programme in the mid to late 1980s appears to have had very little public support. The proportions of the public in favour of 'de-nationalisation' rose during the 1970s but never reached a majority,<sup>129</sup> and according to Gallop polling, it fell dramatically between 1979 and the height of Thatcherism in 1987.<sup>130</sup> Trade unions became *more popular* over the same period (at least in principle), with those considering that trade unions are a 'good thing' rather than 'bad thing' increasing from 58% in August 1979 (following an historic low of 44% that January) to 70% in August 1991.<sup>131</sup> Support for the neoliberal agenda of cutting taxes and reducing public services reached its height in May 1979 at 37%. But even then the same proportion of respondents favoured extending public services and the remainder favoured no change in either direction. The proportion in favour of cuts to government spending thereafter declined steeply, falling to just 9% in 1989, whilst those in favour of expanding public services rose to over 70%.<sup>132</sup>

Overall, the polling data suggests that whilst the Thatcherites benefitted from a rightward shift of opinion in the 1970s, a more or less social democratic consensus on economic issues amongst much of the public remained intact, meaning that Thatcherism became increasingly unpopular as it moved into its more radical phase. Neoliberals were able to capitalise on popular disaffection with the political status quo, and outmanoeuvre opponents, but they were not able to win over popular opinion to their new settlement. Crewe points to a MORI poll conducted on the tenth anniversary of Thatcher's premiership, which, he argues, along with another similar poll conducted later that year, provides 'striking evidence of Thatcherism's failure to win hearts and minds'. Whilst a plurality of respondents (48%) favoured people 'being able to make and keep as much money as they can' over an egalitarian alternative, the overall strength of opinion *against* neoliberal ideology is indeed striking. Asked whether they would ideally favour a country in which private interests and a free market are more important, or one in which public interests and a more managed economy are more important, 62% favoured the latter and only 30% the former. 54% of respondents said they would ideally favour a country which emphasised the social and collective provision of welfare, rather than a country where individuals are encouraged to look after themselves and 79% said they would ideally favour a

country in which caring for others is more highly rewarded than a society in which the creation of wealth is more highly rewarded.<sup>133</sup> These figures are all reproduced in Table 1.

<b>Table 1: Public attitudes to neoliberal values</b>	
Q People have different views about the ideal country. In each of the following alternatives, which comes closest to the ideal for you and your family?	
A country in which private interests and a free market are more important	30%
Or	
A country in which public interests and a more managed economy are more important	62%
A country which emphasises the social and collective provision of welfare	54%
Or	
A country where individuals are encouraged to look after themselves	37%
A country which emphasises keeping people at work even if this is not very profitable	59%
Or	
A country which emphasises increasing profitability even if this means people losing jobs	29%
A country which allows people to make and keep as much money as they can	48%
Or	
A country which emphasises similar incomes and rewards for everyone	43%
A society in which the creation of wealth is more highly rewarded	16%
Or	
A country in which caring for others is more highly rewards	79%
<i>Source:</i> MORI Poll, Independent, 4 May 1989; MORI, British Public Opinion, p.4, July/August 1988. Reproduced here from Ivor Crewe, 'The policy agenda: A new Thatcherite consensus?.' <i>Contemporary British History</i> 3.3 (1990): 2-7.	

Stephen Hill even goes as far as to question to what extent capitalism, let alone neoliberalism, can claim popular consent. Summarising the evidence from several studies of class and public opinion in the mid to late 1980s, he writes:

While people appear to endorse certain of the economic imperatives of a capitalist economy, they also dispute the structure of economic rights and the distribution of financial rewards and social power which follow in the British system. [...] [T]here is scarcely any support for the priority of the private property rights of the *owners* of the capital stock to benefit from the profits of their investments: their rights are held to be far less legitimate than the claims of firms and their employees to a larger share of these profits. Similarly, the managerial ideology which justifies the rights of non-owner is contested.<sup>134</sup>

A major source for Hill is the 1987 edition of the *British Social Attitudes* survey, which found that only 4% of the public believed that profits should be used to pay dividends to shareholders and bonuses to senior managers.<sup>135</sup> The *British Social Attitudes* survey, which has been conducted annually since 1983, provides ample evidence undermining the notion of a popular neoliberal capitalism. The surveys have consistently found that the great majority of the public consider it a government's responsibility to keep prices under control, provide a job for everyone who wants one, ensure a decent standard of living for the unemployed and provide decent housing for those who can't

afford it.<sup>136</sup> The researchers have also found ‘a widespread and enduring view that the income gap is too large, and considerable support for the proposition that the government should reduce income differences.’ Support or opposition to redistribution has been measured by the survey since 1986 through one of five questions intended to measure underlying *left-right* values. As late as 2003, 24 years after Thatcher came to power, those in favour of government redistribution still outnumbered those who opposed. The peak support for redistribution came in 1989 and 1990, the end of the Thatcher period when the proportion in favour of redistribution increased to over 50% (and those opposed totalled only 30%). Though the commitment to redistribution subsequently declined under New Labour, reaching an historic low of 32.3% in 2004 when opposition overtook support for the first time (reaching its height at 40% the following year), proportions of agreement and disagreement with the other questions measuring *left-right* values have been more striking and resilient. Agreement with the statement that ‘ordinary working people do not get their fair share of the nation’s wealth’ averaged at 62.7% between 1986 and 2008, and has never been less than 54.5% (the 2004 figure). Disagreement with that statement, meanwhile, averaged just 13.9% over the same period. Agreement with the statement that ‘there is one law for the rich and one for the poor’ averaged at 57.2% between 1986 and 2008 and disagreement 17.7%. Most significant for our purposes are two data series which measure public attitudes to business and management. One records agreement or disagreement with the statement ‘management will always try to get the better of employees if it gets the chance’, and the other with the statement, ‘big business benefits owners at the expense of workers’. Those agreeing with the former statement averaged 58.4% between 1986 and 2008, whilst those in disagreement averaged 18.6%. Agreement with the latter statement averaged 54.8% between 1986 and 2008, whilst those in disagreement averaged only 17.7%. Agreement only once fell below 50% during that 22 year period – in 2004 when 49% agreed and 19% disagreed. Such evidence seriously undermines the notion that the pro-business reforms introduced by Thatcher and adopted – and indeed augmented – by subsequent governments has ever been supported by the public, let alone embraced with any enthusiasm.

Moran has suggested that ‘an examination of the polling data’ suggest widespread anger towards business. It is ‘despised’ as a collective, but ‘popular disapproval is typically incoherent, and is capable of being manipulated by the machinery of public relations’.<sup>137</sup> An important source for Moran’s claims is Ipsos MORI’s polling data on ‘UK public trust in the professions. It shows that between 1983 and 2008, public trust in civil servants and trade union officials increased, whilst trust in business leaders has remained extremely low. Indeed, business leaders have been consistently amongst the least trusted professions, along with politicians and journalists.’<sup>138</sup>

Other polling data points to similarly low levels of trust, and to declining levels of confidence. The CBI warned in 2009 that if the lack of ‘trust and confidence in businesses and markets’ are not addressed, ‘brand loyalty will be affected, companies will face increased pressure to justify their conduct from stakeholders (including consumers and other businesses) and, ultimately, governments will intervene with tougher regulations and tighter control of business and market operations’.<sup>139</sup>

Findings from the Edelman Trust Barometer indicate trust in business in the UK and other western European countries has been relatively low, and on a steadily declining trend, for a number of years – with scores in the range of 34-41% since 2002 when interviewees are asked, ‘how much do you trust business to do what is right’. In a supplementary survey in the UK, 79% said they ‘don’t trust business leaders to put the interests of their employees and shareholders ahead of their own personal interests’. Similarly, research by Experian suggests two fifths of the UK population now believe ‘companies are not fair to consumers’.<sup>140</sup>

Thus whilst Ipsos MORI’s series suggests fluctuating, but consistently low levels of trust in business throughout the neoliberal period, other polling data suggests levels of trust in business slowing declining during the very same period that the BBC was moving most markedly towards an explicitly pro-business orientation.

<b>Table 2: Trust in Professions, 1983-2008</b>													
Q Now I will read out a list of different types of people. For each, would you tell me whether you generally trust them to tell the truth or not?													
	'83	'93	'97	'99	'00	'01	'02	'03	'04	'05	'06	'07	'08
Doctors	68	73	76	84	78	82	85	85	87	85	87	84	86
Teachers	65	75	72	82	75	76	75	79	82	80	81	77	79
Professors	n/a	58	58	69	65	68	66	63	71	67	72	68	70
Judges	59	47	53	61	62	63	62	53	59	60	59	64	64
Clergymen/priests	74	67	51	66	62	63	66	51	58	55	58	56	57
Scientists	n/a	n/a	41	36	38	43	41	43	50	52	56	43	56
TV news readers	38	54	60	57	55	58	52	42	50	38	45	34	42
The Police	29	37	31	30	27	36	28	38	35	26	32	28	38
The ordinary man/woman in the street	30	43	28	32	18	18	23	21	26	25	27	19	33
Pollsters	n/a	24	27	14	11	12	12	12	19	19	22	13	16
Civil servants	-38	-13	-14	6	7	-2	3	5	14	1	11	1	9
Trade union officials	-53	-22	-29	-8	-9	-7	-12	-20	-5	-9	-1	-7	5
Business leaders	-40	-25	-31	-32	-32	-34	-37	-32	-28	-39	-25	-36	-29
Government Ministers	-58	-70	-68	-47	-51	-53	-52	-53	-47	-51	-48	-49	-50
Journalists	-54	-74	-61	-64	-63	-57	-66	-57	-52	-61	-53	-57	-51
Politicians generally	-57	-65	-63	-49	-54	-60	-54	-57	-49	-53	-52	-58	-52
Source: Ipsos MORI, 2013. Trust in Professions [Online]. Ipsos MORI. Available from: <a href="http://www.ipsos-mori.com/researchpublications/researcharchive/15/Trust-in-Professions.aspx?view=wide">http://www.ipsos-mori.com/researchpublications/researcharchive/15/Trust-in-Professions.aspx?view=wide</a>													

### Public attitudes to business journalism

Finally, on the question of public attitudes to business, two more surveys are of particular relevance. As part of the Budd inquiry into the BBC's business coverage, the BBC commissioned audience research to assess interest in business reporting. Although the research was 'skewed towards those who were pre-disposed to business news' it found that 'Business news registered a below average mean score of 5.5 out of 10 in comparison to other subjects such as Politics (6), Environment (7) and Current Affairs (7.6)'. Those most interested in business news were middle aged men in 'AB social class', whilst those declaring a low interest 'were more likely to be young (18-24 years), female (26% not interested) and C1C2 (25% not interested).'<sup>141</sup>

Ofcom, in a report published that same year, reported a survey which found that when asked 'Which types of news are you personally interested in?', 'city, business and financial issues' received the second lowest level of interest out of 15 'types of news' – the only less interesting topic being 'Celebrity behaviour'.<sup>142</sup> The results are displayed above in Table 3.

<b>Table 3: Public perception of news issues</b>	
Q. Which types of news are you personally interested in?	
Current events in the UK	55%
Current events in my region	50%
Current local events where I live	48%
Weather	48%
Crime	47%
World wide politics and current events	41%
Sports	39%
Human interest stories	38%
UK-wide politics	37%
Entertainment	34%
Politics in my region	28%
Travel	26%
Consumer affairs	23%
City, business and financial issues	19%
Celebrity behaviour	13%
<i>Source:</i> Ofcom, 2007. <i>New News, Future News: The challenges for television news after Digital switch-over.</i> An Ofcom discussion document, p.25.	

### **Manufacturing neoliberal consent**

Having summarised the public opinion data on attitudes to neoliberalism, Crewe remarks that

public opinion is only part, and the less important part, of the larger picture. Among opinion formers rather than opinion followers, the crumbling of the social democratic consensus in the face of Thatcherism's neo-liberal onslaught seems much more evident.<sup>143</sup>

Moran makes a similar point in his discussion of public attitudes to business, remarking that 'in the very period when political elites moved in its [the business elite's] favour, the people at large moved against it.'<sup>144</sup> This observation about the political elite could apply equally to the BBC, surely amongst Crewe's 'opinion formers'. Its shift towards the values of consumerism and the market began in the late 1980s and early 1990s, a time when a clear public consensus had emerged in opposition to neoliberalism, whilst its enthusiastic embrace of business in the 2000s took place at a time when public trust in business was extremely low, and according to some polls was on a slow downward trajectory.

How are we to explain the fact that the BBC went one way while its audience went the other way? The simple answer is that whilst the BBC depends on the public as audience for its legitimacy and is to some extent responsive to public tastes and preferences – as mediated through audience research and view/listener feedback – its journalism is fundamentally orientated towards elite opinion; and elites overwhelmingly *were* won over to neoliberalism. Indeed, the contention of this thesis is that the BBC's executives and senior journalists should be understood as members of that elite, and the BBC as an important part of the UK's power structures. The BBC as an institution is subordinated to political elites who hold the power of appointments, control its funding and ultimately the power of life and death over the Corporation. Its senior personnel, meanwhile, are overwhelmingly drawn from elite social strata. One interviewee commented that: the 'core workforce of decision-makers [at the BBC] is drawn from a very narrow English, white, upper-middle-class, Oxbridge background. [...] It is a lack of diversity. And it is just starting.'<sup>145</sup> As was noted above, BBC business journalists often criticised this elitism from a populist pro-business perspective, yet it is clear that the BBC's most senior economic and business journalists – those who set the tone of its coverage and are afforded the



freedom to offer analysis, cultivate sources and develop expertise – are very much members of the British elite, and share its beliefs and values.

Consider Robert Peston, who is one of a handful of figures who have dominated the BBC's economics and business reporting since the 2000s. In his 2008 book, *Who Runs Britain?*, Peston describes how as a young man he absorbed the egalitarian spirit of his parents and the broader political culture, but subsequently become convinced of the wisdom of the post-Thatcher political economy.

As a journalist reporting on the business and political elite from 1983 onwards, it is clear to me that Britain has benefited from what was a cultural revolution under Thatcher. [...] For 25 years, in a series of different media jobs – Business Editor for the BBC and the *Sunday Telegraph*, Financial Editor and Political Editor for the *Financial Times* – I've been an advocate for wealth creators being able to retain a generous share of the incremental wealth they create. I've argued that we should all cheer when a chief executive pockets millions so long as he (occasionally she) has significantly increased the wealth of the relevant company's shareholders.<sup>146</sup>

Later Peston remarks: 'I have few qualms about celebrating the creativity of capitalism and capitalists. It may not be pretty but, on the whole, greed is good.'<sup>147</sup> In 2013, after eight years as the BBC's Business Editor, Peston was appointed to serve concurrently as the BBC's Economics Editor when Evan Davis's successor in that role, Stephanie Flanders, left for the investment banking wing of the American multinational JPMorgan Chase. Flanders, who like Davis is also a former employee of the London Business School and the Institute for Fiscal Studies, commented: 'In many ways, I will be doing the same thing at J.P. Morgan Asset Management that I have been doing at the BBC: explaining what is happening in the UK and global economy, and why it matters.'<sup>148</sup> Like both Peston and Davis, Flanders – who originally joined the BBC in 2002 as Davis's successor as *Newsnight*'s economics editor – studied Philosophy, Politics and Economics (PPE) at Oxford, a course which the BBC's Jon Kelly notes, has 'an apparently indomitable grip on the highest echelons of power'.<sup>149</sup> Incredibly, so too did Hugh Pym, who covered for Flanders whilst she took maternity leave at the beginning of the financial crisis, and Davis's predecessor Peter Jay. This extreme 'lack of diversity', appears to fit with broader patterns of privilege. In 2006, the Sutton Trust examined the educational backgrounds of 100 leading news journalists in the UK, of whom 31 worked at the BBC. It found that 54% were privately educated (compared with 7% of the population) and a total of 45% had attended Oxbridge (compared with less than 1% of the population).<sup>150</sup> More recent research by the Social Mobility and Child Poverty Commission, published in 2014, examined the educational background of BBC executives, noting that they 'come disproportionately from a narrow range of backgrounds'. The Commission's survey of 125 BBC executives found that 26% had attended private schools, 62% had attended one of the Russell Group of leading universities (compared with 1 in 9 of the population) and 33% had attended Oxbridge.<sup>151</sup> These figures are comparable with those for other factions of Britain's power elite. Indeed the quasi-official report had no qualms about identifying BBC executives – along with politicians, civil servants, the superrich, FTSE 350 CEOs, newspaper columnists and other groups – as members of 'Britain's elite'.<sup>152</sup>

In a sense this is nothing new. The BBC's executives and senior journalists have long been members of Britain's power elite. As was noted in the opening chapters, the BBC was widely regarded as part of 'the Establishment' in the social democratic period and the aforementioned Sutton Trust report notes that the proportion of Oxbridge graduates amongst Britain's top journalists was in fact significantly higher in 1986 than it was in 2006.<sup>153</sup> But this is not necessarily a reliable indicator of the BBC's position *vis-à-vis* the 'the people at large'. Power structures in capitalist societies are not static configurations, they are in constant flux, adapting to the imperatives of capital accumulation and pressures from other groups and classes. During the period under study here, 'the Establishment', of which the BBC has always been a part, was reconstituted; its personnel won over to neoliberal ideas and practices and its non-market components ever more subjected to the logic of the market and the values and interests of the corporate elite. This process, which began in the 1980s, as O'Malley notes, eroded the BBC's 'relative autonomy from the political and economic imperatives of the capitalist economy'.<sup>154</sup>

What were the specific social processes whereby the BBC's became more subject to the 'imperatives of the capitalist economy'? The central argument of this chapter has been that pro-business initiatives pushed by the 'core workforce of decision-makers' at the BBC, led by two Director-Generals with close ties to neoliberal political elites, became embedded within the Corporation's journalistic culture and organisational structure through the exercise of overt *authoritative power* and through somewhat more subtle processes. This, however, is only part of the picture. Whilst 'top down' initiatives were certainly a key mechanism whereby the social democratic consensus deeply embedded within the BBC was overturned, a neoliberal 'common sense' did not just cascade down through the BBC from its senior management. Interviews suggest that a number of 'horizontal' factors also played an important part in reshaping its institutional culture. One horizontal factor, noted by Will Hutton, is the influence of sources on the practice of journalism. Hutton emphasises that the ideas and interests of business will naturally shape the practice of business journalism.

If you are going to do a ten minute film then you have got to have some people coming on as voices. You can't just do a ten minute essay. It's actually [got to be] populated by witnesses. [...] What investment banker is going to come on air and be critical about his or her occupation? So you're on the back foot because you don't have the witnesses.<sup>155</sup>

A similar point was made by Richard Tait when discussing the possibilities for critical journalism in the run up to the financial crisis of 2008:

[T]o do it you'd have to get some credible people to tell you that there's a real problem. There weren't that many people rushing around in 2006-7 saying it was all going wrong. [...] A lot of people tended to follow the herd, which was that the banking sector was making a lot of money and it was very important for the UK economy. And I think some tougher questions should have been asked.

*And when you say 'credible people'. Do you think they'd have to be connected to the banking sector?*

Yes, I think to have blown the whistle on them early you would have had to have whistleblowers coming from inside the banks saying that there's something going really wrong with RBS, they're getting overstretched.<sup>156</sup>

More generally, Hugh Pym has commented that covering 'economic indicators' requires 'case studies':

[W]e need employers with their view on employment, taking people on, recruiting, entrepreneurialism [...]. Exporters: how are they doing with the Eurozone problem? You know, we just need a lot of case studies.<sup>157</sup>

There is an assumption in these comments that critical perspectives on business, to be 'credible', must come from business itself. This is clearly problematic and serves as an illustration of the extent to which the norms of professional journalism reflect the interests of powerful groups, as well as an example of the ways in which, as has been argued above, journalistic divisions of labour restrict critical approaches. Nevertheless, we should acknowledge that elite dissent remains the major source of critical perspectives in the news media, and can provide journalists with openings for non-elite perspectives. In that sense the shape of the UK's 'business structures', as Hutton puts it, and the neoliberal hegemony secured within them, must be regarded as an important factor in the expansion of that hegemony to the BBC.

Related to this issue of 'business structures' impacting on business journalism, is the question of how the communicative practices of business have changed during the neoliberal period. Richard Tait notes that with the consumer boom of the 1980s, businesses became more willing to engage with the media.

One of the ways where business journalism I think began to change in the Thatcher era, was there was more emphasis on marketing, partly because I think they're quite attractive stories to do. We began to look at the launch of new products, or are people trying to expand into new markets. And that coincides, if you like, with the growth of

the advertising agencies. And it was just a bit easier – understandably perhaps – to get some cooperation with these companies when they were launching something, when they were moving into a new field, because they might think the publicity was quite helpful. The danger that of course is that you end up becoming part of their PR strategy and the piece just becomes a puff. You had to look out for that.<sup>158</sup>

Tait goes on to note that public relations became far more influential in the neoliberal era, and heads of corporate affairs, formerly a ‘rather lower-grade press officer’ became a far more powerful position in corporate management structures. Peter Day and James Long, both of whom worked in business and economics journalism at that time, also noted the significance of this change.

[PRs] were [previously] very abject people and called in to sort of advise on the layout, and whether we should put coloured pictures into the annual report of companies. And then, suddenly, with the takeover bids of the ‘80s, the PR people became... well they move their way up to become professionals and absolutely vital [to corporations]. [...] The change in the status of PRs over my lifetime in the City, which started in ‘75, is quite extraordinary. [...] There weren’t eminent PRs in the old days, such things did not exist. (Peter Day)<sup>159</sup>

[In the 1980s] the City, with the money to spend on it, suddenly became much better informed about how to deal with broadcast media, much better informed about the imagery that would get coverage, much better informed on really, really simple things like, okay, you’re an investment bank, you’ve got an announcement to make that you want to make sure it’s covered, you actually learn... you get very sophisticated suddenly about when you drop that and that and that, when the press statement’s released, you look for what goings to be a quiet news day [...]. They got much better at that and we were not nearly smart enough corporately to deal with that. So I think a lot of money was spent on spinning all kinds of things. [...] We were being spun in a very sophisticated way. Before that it was stone age, it was very old fashioned. (James Long)<sup>160</sup>

Two interviewees emphasised the threat that professionalised corporate communications pose to journalism:

I think diminishing resources means that you can sometimes have a worrying... potentially a closer relationship with the corporate community than you should have – than is good. You know, sometimes we will use companies to explain rather than to challenge because we don’t have as many reporters and resources as we used to. So that’s a good thing for you to look at: the rise of the corporate reporter. You know, the pensions guest who isn’t your pensions reporter, it’s someone from [...] a company. Companies aren’t charities, they have vested interests. [...] The number of corporate press officers are going more and more, financial PR agencies more and more. The number of journalists is declining. (BBC business journalist)<sup>161</sup>

A lot of people in reporting business are completely captured by the CEOs and the PRs of the major companies; probably even to the detriment of reporting what’s going on with minor companies and start-ups. [...] [There are] huge disparities of power between publicity machines, these large companies, and journalism. So I can deal with any PR person thrown at me, but it’s quite hard to deal with public affairs companies. Public affairs companies work in insidious ways, and are constantly trying to shape the terrain of the discussion that you are having. (BBC business journalist)<sup>162</sup>

Such sceptical, even adversarial, attitudes to public relations though appear to be a minority perspective. A good number of former BBC business journalists I interviewed had left for positions in public relations and corporate communications, and the official view of the Business and Economics Centre is to consider these propagandists of the corporate sector partners rather than adversaries. At a June 2012 breakfast event organised by the ‘media intelligence’ firm, Gorkana, the BBC’s then Chief Economics Correspondent, Hugh Pym, encouraged corporate PRs to bring their

clients to the BBC for a ‘get to know you’ so the Business and Economic Centre could ‘learn a bit more about what that company’s doing – are there any issues about coverage, etc.’<sup>163</sup> Jon Zilkha, head of the Business and Economics Centre, stressed that anything on ‘the attitude of business, the concerns of business, the needs they have to try and foster growth and to create employment, to create opportunities, we’re very, very keen to hear about.’<sup>164</sup> The discussion revealed that the off the record meetings with political and business elites established by Peter Jay in the 1990s, were ongoing. Zilkha said:

I mean basically probably about once a fortnight, I mean occasionally more, but usually about once a fortnight, people will come in, off the record, and talk to us about the issues they are facing [and] allow us to ask questions. [...] [W]e work out what areas of mutual interests we have whereby they might be developing something which we think we’d be interested in covering, or whatever the angles of the story would be. But it’s a particularly useful way in for people [...]. I’d say invariably it does lead to a subsequent broadcasting appearance.<sup>165</sup>

These meetings, which are also on occasion attended by ‘people from the political sphere as well’, Zilkha said, ‘just really helps our understanding’ and ‘shapes the language and all that kind of thing around the coverage that we put together.’<sup>166</sup>

A final, and again related, ‘horizontal’ factor, and one which interviews suggest is the most significant, is the influence of the private media. BBC journalists see themselves as part of wider news media – and increasingly so as the Corporation and its staff have been more integrated into the market – and this impacts on professional ideology, influencing managerial and editorial judgements. We saw in the previous chapter how the business output of the BBC’s competitors in the late 1980s, Channel 4 especially, influenced the growth of BBC business journalism. Similarly, growth was influenced by the significant expansion of business programming on American television during the 1990s, especially on cable television – a market in which the BBC was now a commercial competitor. Peter Jay remarks:

Most television is funded by advertising, especially in the United States. Therefore it was not surprising when multiple channels became available that [...] executives should be attracted by the name ‘business’ for the economic life of the nation because it would appeal to their most important clients, namely advertisers. Because what they basically do, back to the Peacock Report, is sell audiences to advertisers. And therefore it was natural that they should use that advertiser friendly language. Once they had done so, it became the *lingua franca* of the industry. So when the BBC – which actually had no interest in advertisers at all – came to think about the organisation of this part of its output, it sort of unthinkingly I think, automatically, carried over the language that the industry, particularly the industry in the United States, was already using.<sup>167</sup>

Thus the political economy of the globalised news media impacted on the journalistic culture of the ‘industry’ of which the BBC is part. Far more significant in this regard, though, has been the influence of the UK press, which has shaped the BBC since its establishment in the 1920s. The influence of the private press in the social democratic period was considered in Chapter 4, and the notion that it is a legitimate component of the UK’s public sphere remains deeply embedded in the ideology and working practices of BBC journalism. Indeed, Greg Dyke remarked that for BBC News: ‘If it hasn’t been in the papers it’s not real.’<sup>168</sup>

Much discussion of the influence of the press on the BBC focuses on the power of right-wing popular press to influence editorial judgements. After delivering the British Journalism Review Charles Wheeler lecture in June 2014, Robert Peston remarked that BBC News ‘is completely obsessed by the agenda set by newspapers’, and that following the editorial agendas of the *Daily Mail* and the *Telegraph*, is ‘part of the culture’.<sup>169</sup> The prominence of this issue, in particular, as has already been argued here, in part reflects the clash in professional values between tabloid journalism and public service broadcasting. In this respect it is interesting to note that, as one interviewee commented, the right-wing tabloids are in some ways more ‘anti-business’ than the BBC:

[I]f they base[d] their running orders on the newspaper headlines it would be, you know, 'All companies are bastards, all heating companies are leaving pensioners to freeze and making massive profits at the same time.' And with the BBC we've got more responsibility than that.

*So you think that the private press is more hostile to business than the BBC?*

Well yeah. They believe in capitalism and privatisation and everything like that and then they slag off any company which they think is making excess profits even when it isn't. So we take a much more down the centre sort of attitude.

*A less sort of populist line I suppose.*

Yes. I mean, it is very popular to slag off British Gas. But it isn't necessarily accurate. (BBC business journalist)<sup>170</sup>

Similarly, Evan Davis contrasts the approach taken by BBC business journalism with that taken by the *Daily Mail*:

I did take the view that if your business coverage was just an extension of consumer coverage you weren't really teaching people anything they didn't know. If you were just telling them that Britain is a rip-off because prices are higher than they are in France, you know in the way the *Daily Mail* often does, you weren't really teaching them.<sup>171</sup>

Business journalists thus seem to have resisted the editorial agenda of the tabloid press when it assumed a populist anti-business position. Indeed, overall, interviews suggest that whilst the tabloids are certainly influential in political journalism, in business journalism the broadsheets and the business press are much more significant in shaping the BBC's output. Will Hutton comments that

[Business journalists] will be recruited from and they will take their cue from the way this is reported in the press. And the business press that matters is the *FT*, *The Times*, and the *Sunday Times* in particular, the *Sunday Times* business news, *The Economist*, to a degree *The Telegraph*, and to a degree the *Mail on Sunday*. The *Guardian*'s business pages hardly count.<sup>172</sup>

Two BBC business journalists comment:

I read the *Wall Street Journal*. After Murdoch took over it got quite good. The *FT*, *The Economist*. Those would be the people I would read. We used to joke that your job is to try and do the story that is on *The Economist*'s front cover on Thursday night before they even come out. Not to nick it off them, but to have had the same idea. Preferably even on Wednesday night. You know this is in the air, this is what we should be going, let's do it, bang. That was our goal. (BBC business journalist)<sup>173</sup>

For your general but relatively current background [I use the] *Sunday Times* business section, the *FT* main articles, *The Economist* cover to cover if you have time, but that's not realistic often, [...] and the blogs you get via Twitter. (BBC business journalist)<sup>174</sup>

The extent to which BBC journalists defer to the broader news media's representation in the world is powerfully illustrated by the comments of another interviewee, Martin Grieg:

Very few editors ever believed a story was a story until it had been in the papers. So I think you have to look at the expansion of the business news output in the BBC in correlation with what was happening in the media in terms of business coverage as well. And the late '90s, early '00s, just generally, the picture in the economy, the picture in the business world where you had these huge corporate deals going on, and massive amounts of wealth being created, that was being reflected in an increased amount of coverage in the news in general. And I think the BBC realised it had to reflect that. [...] They were simply reflecting what was happening in the real world, you know, a greater appreciation of the City, and the workings of the City, and how what was happening in the City would drive business deals around the world – and, as I say, as a wealth creator, as something in which everyone was invested through their pension funds.<sup>175</sup>

This suggests a quite direct emulation of the news values of the business press, but interviews also pointed to more subtle modes of influence. Nick Jones commented:

[T]he newspapers of Britain have a greater impact on the daily run of news in broadcasting than in anywhere else. [...] I mean, in your research you need to look at the time that all these financial supplements started. So this means, you see, that the daily news flow, with what the newspapers say, also impacts very considerably on how the BBC reports.<sup>176</sup>

Jones suggests that in the late 1980s, the BBC wanted to reflect a perceived ‘buoyancy’ in the country, and that this perception in part stemmed from the fact that the newspapers were ‘stuffed full of financial products’.<sup>177</sup> A similar point was made by another interviewee, whose comments are worth quote at length:

[W]hen all the Thatcherite privatisations occurred in the late ‘80s and there was all this stuff about property owning democracy, share owning democracy and da-de-da-de-da-de-da, there were, for example, whole page display ads for third stage BP or British Gas privatisation, or whatever it was. Plus there was Big Bang and an explosion in these managed funds and other investment vehicles. There was a huge increase in the amount of display advertising that was available to newspapers, including the *Guardian*, let us say – not a natural capitalist flag carrier.

And so you have some meeting at the *Guardian* and the advertising manager says, ‘Look, we didn’t see this coming, but I have got five pages of display advertising on share holding related issues,’ whether it be funds advertising or privatisation or something like that. ‘We can’t stick this...’ You know, there’s ratios that they have to respect within newspapers about the balance between editorial copy they write themselves and advertising. You can’t just have an advertising supplement that’s full of adverts and no copy because the advertisers don’t want it that way. They want it to be in a traditional relationship with the rest of the paper. So basically if you’ve got five pages of display [advertising], you need at least five pages of editorial. What’s the editorial going to be about? Well obviously it’s going to be related to what’s in the advertisements. So it’s going to be about whether it’s a good idea or not to join this privatisation. Whether this [investment option] is better, what the others are coming up with. Whether this fund is better, whether it’s a good idea to buy a house and let it. Where your cheapest mortgage offer is and all this stuff. This whole personal finance journalism stuff arose [...] in response to the amount of advertising. So not the content exactly in a word by word basis, but the fact that the content existed was determined by the volume of advertising and the volume of advertising was determined by (1) the privatisations and (2) the Big Bang and the explosion of, sort of the understanding that ordinary people first of all would take an interest in [financial investment] and second were intelligent in managing their own finances and dealing with what are really extraordinarily sophisticated products. This was all bullshit. They aren’t. They shouldn’t... a kind government would put health warnings on these things. I mean there are health warning, but they are tiny.

*That’s interesting. Curiously the same process happens at the BBC.*

Ah! My point entirely! My point is that someone like Jenny Abramsky, for example... You know, none of the people in positions of power and influence at the BBC, with the exception of Jay who was hired pretty late in the process, knew diddly-squat about business and economics. Nothing. You know, they are classic North London, liberal, Labour Party supporters. [...] So they’re looking at their copy of the *Guardian* in the morning and they say, ‘Bloody hell, there used to be one page of business in the *Guardian*. Now there are five! This is because even the *Guardian* agrees with the government that this area of the national life is more important than it was. Well in fact it had nothing to do with that. It goes back to my conversation with the advertising

manager who said, 'For Christ's sake, we've got ten pages of display advertising, we must have more editorial to match it.' I really do think that was what happened.

There may have been some people who were politically motivated who said the BBC must increase its coverage of this area of national life because it is more important because Thatcher says it is. There may have been a few patsies. But that wasn't important. The fact of the matter was that people were already looking at newspapers and seeing the explosion in the amount of space that was devoted to them.<sup>178</sup>

The above quotation requires little further elucidation, except to note firstly that this was part of a broader restructuring of Britain's (capitalist) communicative structures (which was in turn tied to the broader shifts in political economy), and secondly that these same social forces – the private media, advertising and public relations – had played an important, and often overlooked role, in influencing shift towards neoliberal policies.<sup>179</sup>

The increased corporate influence over Britain's communicative structures, or what we might term its 'really existing public sphere', in combination with material changes to financial structures – which reshaped people's circumstances, if not in any immediate or straightforward way their values and attitudes – helped create the erroneous perception of a popular shift towards neoliberalism and business values amongst the BBC's audience. Together with the top down initiatives described in this and the previous chapter, this led to the 'elite capture' of the BBC's business and economics journalism, a process which has helped to craft a neoliberal 'common sense' amongst Britain's elites, and to legitimise the increased power of corporations over society.

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<sup>1</sup> Interview with Mark Damazer, 20 August 2013.

<sup>2</sup> 'Up close with the Barclays' "consigliere"', *Observer*, 15 January 2006, accessed 27 December 2014, <http://www.theguardian.com/media/2006/jan/15/broadcasting.thedailytelegraph>.

<sup>3</sup> Interview with Richard Quest, 2 April 2013.

<sup>4</sup> The BBC Trust Impartiality Review Business Coverage, The BBC Journalism Group Submission to the Panel, 23 January 2007, 16.

<sup>5</sup> Michael Mann, *The Sources of Social Power, Volume 1: A History of Power from the Beginning to A.D. 1760* (Cambridge, Cambridge University Press: 1986), 8.

<sup>6</sup> Interview with BBC business journalist, 14 June 2013.

<sup>7</sup> Interview with Rory Cellan-Jones, 18 July 2013.

<sup>8</sup> Interview with Paul Gibbs, 7 May 2013.

<sup>9</sup> *Ibid.*

<sup>10</sup> Interview with former BBC business journalist, 29 July 2013.

<sup>11</sup> Interview with Pauline McCole, 6 September 2013.

<sup>12</sup> *Ibid.*

<sup>13</sup> Interview with John Fryer, 10 June 2013.

<sup>14</sup> Interview with James Long, 28 May 2014.

<sup>15</sup> Interview with Richard Quest, 2 April 2013.

<sup>16</sup> Interview with former BBC business journalist, 29 July 2013.

<sup>17</sup> Interview with Richard Quest, 28 February 2013.

<sup>18</sup> Interview with Mark Damazer, 20 August 2013.

<sup>19</sup> Interview with BBC business journalist, 17 July 2013.

<sup>20</sup> *Ibid.*

<sup>21</sup> Interview with Pauline McCole, 6 September 2013.

<sup>22</sup> Interview with former senior editor, 26 February 2014.

<sup>23</sup> Interview with Paul Gibbs, 7 May 2013.

<sup>24</sup> Mike Savage and Karel Williams, 'Elites: Remembered in Capitalism and Forgotten by Social Sciences,' *The Sociological Review* 56 no.1 (2008): 1-24.

<sup>25</sup> BBC business journalist interview, 23 June 2014.

<sup>26</sup> Interview with former senior editor, 26 February 2014.

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- <sup>27</sup> This is a point is made by Mark Blyth in his discussion of the relationship between economic ideas and interests and is credited to Adam Sheingate. (Mark Blyth, *Great transformations: Economic ideas and institutional change in the twentieth century* (Cambridge University Press, 2002), 269, ft.42.)
- <sup>28</sup> Interview with Evan Davis, 7 May 2013.
- <sup>29</sup> Raymond Boyle, 'From Troubleshooter to The Apprentice: the changing face of business on British television,' *Media, Culture and Society* 30 no.3 (2008): 415-42.
- <sup>30</sup> Interview with Richard Griffiths, 27 February 2013.
- <sup>31</sup> Interview with Evan Davis, 7 May 2013.
- <sup>32</sup> Interview with former BBC economics and business journalist, 12 August 2013.
- <sup>33</sup> Interview with Mark Damazer, 20 August 2013.
- <sup>34</sup> Interview with former BBC economics and business journalist, 12 August 2013.
- <sup>35</sup> Interview with Rory Cellan-Jones, 18 July 2013.
- <sup>36</sup> Interview with Richard Tait, 17 May 2013.
- <sup>37</sup> Churchill Archives Centre, The Papers of Peter Jay, PJAY 4/8/34. Email from Peter Jay to Evan Davis, 13 September 2002.
- <sup>38</sup> Interview with BBC business journalist, 14 June 2013.
- <sup>39</sup> Interview with Richard Griffiths, 27 February 2013.
- <sup>40</sup> Interview with Stephen Coulter, 9 January 2014.
- <sup>41</sup> Interview with Martin Greig, 27 March 2014.
- <sup>42</sup> Interview with former senior editor, 2 August 2013.
- <sup>43</sup> Interview with Richard Griffiths, 27 February 2013.
- <sup>44</sup> Interview with former BBC economics and business journalist, 12 August 2013.
- <sup>45</sup> Interview with Rory Cellan-Jones, 18 July 2013.
- <sup>46</sup> Interview with BBC business journalist, 17 July 2013.
- <sup>47</sup> *Ibid.*
- <sup>48</sup> Interview with John Fryer, 10 June 2013.
- <sup>49</sup> Interview with Pauline McCole, 6 September 2013.
- <sup>50</sup> Interview with Richard Griffiths, 27 February 2013.
- <sup>51</sup> Interview with BBC business journalist, 14 June 2013.
- <sup>52</sup> Interview with former BBC economics and business journalist, 12 August 2013.
- <sup>53</sup> *Ibid.*
- <sup>54</sup> Interview with former BBC business journalist, 29 July 2013.
- <sup>55</sup> Interview with Greg Dyke, 28 May 2014.
- <sup>56</sup> Interview with former senior editor, 2 August 2013.
- <sup>57</sup> Interview with former BBC business journalist, 29 July 2013.
- <sup>58</sup> Interview with Peter Day, 26 July 2013.
- <sup>59</sup> Interview with former BBC business journalist, 29 July 2013.
- <sup>60</sup> Interview with Stephen Coulter, 9 January 2014.
- <sup>61</sup> Interview with Will Hutton, 3 December 2013.
- <sup>62</sup> Interview with BBC business journalist, 14 June 2013.
- <sup>63</sup> Interview with former BBC business journalist, 29 July 2013.
- <sup>64</sup> Interview with BBC business journalist, 17 July 2013.
- <sup>65</sup> Interview with former senior editor, 2 August 2013.
- <sup>66</sup> Interview with Mark Damazer, 20 August 2013.
- <sup>67</sup> Evan Davis, 'Fair comment or no comment?', BBC NewsWatch, 9 March 2005, accessed 27 December 2014, [http://news.bbc.co.uk/newswatch/ifs/low/newsid\\_4330000/newsid\\_4331800/4331893.stm](http://news.bbc.co.uk/newswatch/ifs/low/newsid_4330000/newsid_4331800/4331893.stm).
- <sup>68</sup> Interview with BBC business journalist, 17 July 2013.
- <sup>69</sup> Interview with former senior editor, 2 August 2013.
- <sup>70</sup> Gorkana meets the BBC's Business Unit, Gorkana, accessed 6 September 2014, <http://www.gorkana.com/news/consumer/general-news/gorkana-meets-the-bbcs-business-unit/>.
- <sup>71</sup> Interview with Iain Carson, 8 February 2013.
- <sup>72</sup> Interview with BBC business journalist, 17 July 2013.
- <sup>73</sup> Interview with former BBC economics and business journalist, 12 August 2013.



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- <sup>74</sup> Gorkana meets the BBC's Business Unit, Gorkana, accessed 6 September 2014, <http://www.gorkana.com/news/consumer/general-news/gorkana-meets-the-bbcs-business-unit/>.
- <sup>75</sup> Interview with Richard Tait, 17 May 2013.
- <sup>76</sup> Interview with Richard Quest, 2 April 2013.
- <sup>77</sup> Interview with Nicholas Jones, 25 February 2013.
- <sup>78</sup> Interview with Stephen Coulter, 9 January 2014.
- <sup>79</sup> Interview with Richard Quest, 2 April 2013.
- <sup>80</sup> Interview with former BBC economics and business journalist, 12 August 2013.
- <sup>81</sup> Interview with former senior editor, 12 April 2013.
- <sup>82</sup> Interview with former BBC economics and business journalist, 12 August 2013.
- <sup>83</sup> *Ibid.*
- <sup>84</sup> Interview with John Fryer, 10 June 2013.
- <sup>85</sup> Interview with Richard Griffiths, 27 February 2013.
- <sup>86</sup> A few interviewees expressed scepticism about the notion of 'popular capitalism'. Peter Day considers that in retrospect 'we bought the democratisation of the stock market rather too much' (Interview, 26 July 2013) and Iain Carson remarked: 'And you had this upheaval in the City and this explosion of what they thought at the time was popular capitalism. But wasn't. It ended up with the investment banks trading on their own account with speculative stuff that Adair Turner is always complaining about now.' (Interview, 8 February 2013) Perhaps the most notable of the sceptical voices was Mark Damazer, who as we have seen was a key figure in the growth of BBC business journalism during the 2000s. Privatisation, Damazer says, 'was politically quite exciting' and significant in 'creating popular consciousness', but whilst it 'to some extent shifted interests and perceptions', 'did not change the fundamental way in which capitalism worked' and 'certainly didn't fundamentally shift power.' (Interview, 20 August 2013). This reference to power was particularly unusual.
- <sup>87</sup> Andrew Glyn, *Capitalism Unleashed: Finance, Globalization, Welfare* (Oxford: Oxford University Press, 2006), 38.
- <sup>88</sup> Taylor, *The Trade Union Question in British Politics*, 383.
- <sup>89</sup> David Metcalf, 'Trade Unions,' in *The Labour Market Under New Labour: The State of Working Britain*, eds. Gregg R. Dickens, J. Wadsworth (London, Palgrave Macmillan, 2003), 171.
- <sup>90</sup> A. Bryson and J. Forth, *Trade union membership and influence 1999-2009. NIESR Discussion Paper No. 362* (National Institute of Economic and Social Research, 2009), accessed 27 December 2014, [http://niesr.ac.uk/sites/default/files/publications/010910\\_144250.pdf](http://niesr.ac.uk/sites/default/files/publications/010910_144250.pdf).
- <sup>91</sup> John Moore, 'British privatization – taking capitalism to the people,' *Harvard Business Review* 70 no.1 (1992): 115-124.
- <sup>92</sup> A Orazio, J. Banks and S. Tanner, 'Asset holding and consumption volatility', *Working Paper* 6567. National Bureau of Economic Research (1998).
- <sup>93</sup> J. Banks and M. Wakefield, 'Stockholding in the United Kingdom,' in *Stockholding in Europe*, eds. L. Guiso, M. Haliassos and T. Jappelli (Basingstoke and New York: Palgrave Macmillan, 2003), 207.
- <sup>94</sup> HC Deb (1990-91) 181 col. 446-7, accessed 29 December 2014, <http://www.publications.parliament.uk/pa/cm199091/cmhansrd/1990-11-22/Debate-3.html>.
- <sup>95</sup> Moore, 'British privatization', 115-124.
- <sup>96</sup> Report of the independent panel for the BBC Trust on impartiality of BBC business coverage, Appendix F1 – BBC Journalism submission to the panel, 23 January 2007, 26, accessed 27 December 2014, [http://www.bbc.co.uk/bbctrust/assets/files/pdf/review\\_report\\_research/impartiality\\_business/f1\\_journalism\\_submission.pdf](http://www.bbc.co.uk/bbctrust/assets/files/pdf/review_report_research/impartiality_business/f1_journalism_submission.pdf).
- <sup>97</sup> Robert Peston, *Who Runs Britain?* (London: Hodder and Stoughton, 2008), 5. Emphasis added.
- <sup>98</sup> Moore, 'British privatization', 115-124.
- <sup>99</sup> *Ibid.*
- <sup>100</sup> Banks and Wakefield, 'Stockholding in the United Kingdom', 202.
- <sup>101</sup> M. Stephens, 'Building Society Demutualisation in the UK', *Housing Studies* 16 no.3 (2001): 335-352.

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<sup>102</sup> G. Tayler, 'UK building society demutualisation motives', *Business Ethics: A European Review* 12 no.4 (2003): 394-402.

<sup>103</sup> *Wealth in Great Britain: Main Results from the Wealth and Assets Survey 2006/08* (London: Office for National Statistics, 2009).

<sup>104</sup> Christopher Hope, Thatcher's shareholder dream comes true, says ONS Survey shows that one in six families in UK now invests through the stock market. *Daily Telegraph*, 11 January 2010, accessed 29 December 2014, <http://www.telegraph.co.uk/finance/markets/6962951/Margaret-Thatchers-shareholder-dream-comes-true-says-ONS.html>.

<sup>105</sup> Harry Wallop, Share ownership falls to all-time low in Britain. *Daily Telegraph*, 28 January 2010, accessed 27 December 2014, <http://www.telegraph.co.uk/finance/personalfinance/investing/7086254/Share-ownership-falls-to-all-time-low-in-Britain.html>.

<sup>106</sup> ONS, *Share Ownership - Share Register Survey Report, 2008*, Office for National Statistics, accessed 27 December 2014, <http://www.ons.gov.uk/ons/rel/pnfc1/share-ownership---share-register-survey-report/2008/share-ownership---share-register-survey-report---share-ownership.pdf>.

<sup>107</sup> Hope, 'Thatcher's shareholder dream comes true,'.

<sup>108</sup> Banks and Wakefield, 'Stockholding in the United Kingdom', 209

<sup>109</sup> Bank of England, Quarterly Bulletin 2012 Q3, 52 no.3 (2012), 259, accessed 27 December 2014, <http://www.bankofengland.co.uk/publications/documents/quarterlybulletin/qb1203.pdf>.

The unequal distribution of financial assets in the UK – many of which were formerly publicly owned – would be exacerbated by the neoliberal state's response to the financial crisis. The Bank of England estimated that its programme of Quantitative Easing led to a 'total increase in household wealth... of just over £600 billion, equivalent to around £10,000 per person if assets were evenly distributed across the population, but that in fact 'the benefits from these wealth effects will accrue to those households holding most financial assets'. *Ibid*, 258.

<sup>110</sup> Thomas Edgington, 'Half of UK 'have no pension pot'', BBC News Online, 26 May 2009, accessed 27 December 2014, <http://news.bbc.co.uk/1/hi/business/8068728.stm>.

<sup>111</sup> Simon C. Parker, *The Economics of Self-employment and Entrepreneurship* (Cambridge: Cambridge University Press, 2004), 106.

<sup>112</sup> *Small and Medium-sized Enterprise Statistics for the UK and Regions* (London: Department for Business Innovation and Skills), accessed 27 December 2014, <http://webarchive.nationalarchives.gov.uk/20110907160404/stats.berr.gov.uk/ed/sme/>.

<sup>113</sup> Michael Moran, *Business, Politics, and Society: An Anglo-American Comparison* (Oxford: Oxford University Press, 2009), 86-88. A closer look at the particular business sectors provides an interesting picture of how the political economy was reshaped during this period. The number of businesses operating in agriculture, construction and retailing – three of the four largest categories in this dataset – actually declined rapidly in this period (by over 8%, 14%, and 22% respectively). The figures on construction are particularly striking since they show a substantial increase in the number of construction companies in the brief period following 'Big Bang' (averaging 7.3% in 1988-1990), but then a dramatic decrease from 1992, which was as much as 11% in 1993. Like the decline in the number of retail companies (unabated throughout 1984-1995), this decrease is likely due to corporate consolidations as well as liquidations. Such dramatic declines in the numbers of businesses are disguised by the exponential growth that occurred largely in service companies. The number of businesses registered as 'finance, property and professional services' companies increased 57%, whilst those registered as 'business services and central offices', 'other services' and 'all other services' increased by approximately 85%, 61% and 41% respectively. By far the largest growth area for new companies was in 'postal services and telecommunications', which grew from only 375 in 1984 to 2,705 in 1995 – an increase attributable to the privatisation of British Telecom.

<sup>114</sup> Simon Down, *Enterprise, Entrepreneurship and Small Business* (London: Sage, 2010), 8-9.

<sup>115</sup> Harrison Bennett, 'The Small Firms Myth,' *California Management Review* 36 (1994): 142.

<sup>116</sup> Cited in Parker, *The Economics of Self-employment and Entrepreneurship*, 9.

<sup>117</sup> Parker, *The Economics of Self-employment and Entrepreneurship*, 105.

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- <sup>118</sup> Nigel Meager, IES Viewpoint: Towards a more entrepreneurial workforce?. *Employment Studies* 17 (2013), 12, accessed 27 December 2014, <http://www.employment-studies.co.uk/news/empstudies17.pdf>.
- <sup>119</sup> Nigel Meager, Rose Martin and Emanuela Carta, *Skills for self-employment: Evidence Report 31* (London: UK Commission for Employment and Skills, 2011), 5.
- <sup>120</sup> Solimano, *Economic Elites*, 13.
- <sup>121</sup> *Ibid.*, 13, 62.
- <sup>122</sup> Jonathan Levie and Mark Hart, *United Kingdom 2008 Monitoring Report* (London: Global Entrepreneurship Research Association, London Business School, 2009), 15.
- <sup>123</sup> C. Dawson, A. Henley and P. Latreille, *Why do individuals choose self-employment?* IZA Discussion Paper No. 3974, (2009): 15.
- <sup>124</sup> Meager, Martin, and Carta, *Skills for self-employment*, 113.
- <sup>125</sup> Levie and Hart, *United Kingdom 2008 Monitoring Report*, 30.
- <sup>126</sup> Peston, *Who Runs Britain?*, 5.
- <sup>127</sup> Ben Jackson and Robert Saunders, 'Introduction: Varieties of Thatcherism,' in *Making Thatcher's Britain*, eds. Ben Jackson and Robert Saunders (Oxford University Press, 2012), 16.
- <sup>128</sup> On which see Monica Prasad, *The Politics of Free Markets: The Rise of Neoliberal Economic Policies in Britain, France, Germany, and the United States* (Chicago: University of Chicago Press, 2006), 98-161.
- <sup>129</sup> *Ibid.*, 147.
- <sup>130</sup> Ivor Crewe, 'The Policy Agenda: A New Thatcherite Consensus?,' *Contemporary British History* 3 no.3 (1990): 2-7.
- <sup>131</sup> Taylor, *The Trade Union Question in British Politics*, 371-2
- <sup>132</sup> Crewe, 'The Policy Agenda', 2-7.
- <sup>133</sup> *Ibid.*
- <sup>134</sup> Stephen Hill, 'Britain: The dominant ideology thesis after a decade,' in *Dominant ideologies*, eds. Nicholas Abercrombie, Stephen Hill and Bryan S. Turner (London: Unwin , Hyman, 1990, 8-9.
- <sup>135</sup> *Ibid.*, 8.
- <sup>136</sup> Caroline Bryson, et al. *British Social Attitudes 30* (London: NatCen, 2013), 38.
- <sup>137</sup> Michael Moran, *Schumpeter's Nightmare: Legitimacy, trust and business in Britain* (London: The British Academy, 2013), 47, 29-30.
- <sup>138</sup> Trust in Professions, Ipsos MORI, accessed 27 December 2014, <http://www.ipsos-mori.com/researchpublications/researcharchive/15/Trust-in-Professions.aspx?view=wide>.
- <sup>139</sup> *The shape of business: the next 10 years* (London: The Confederation of British Industry, 2009), 10.
- <sup>140</sup> *Ibid.*
- <sup>141</sup> BBC Governors' Review of Impartiality in Business News: Integrated Qualitative and Quantitative Research Report (Blinc Partnership Audience Research, 2007), 7-8, accessed 27 December 2014, [http://downloads.bbc.co.uk/bbctrust/assets/files/pdf/review\\_report\\_research/impartiality\\_business/a\\_blinc\\_partnership.pdf](http://downloads.bbc.co.uk/bbctrust/assets/files/pdf/review_report_research/impartiality_business/a_blinc_partnership.pdf).
- <sup>142</sup> New News, Future News: The challenges for television news after Digital switch-over. An Ofcom discussion document (Ofcom, 2007), 25, accessed 29 December 2014, <http://stakeholders.ofcom.org.uk/binaries/research/tv-research/newnews.pdf>.
- <sup>143</sup> Crewe, 'The Policy Agenda,' 2-7.
- <sup>144</sup> Moran, *Business, Politics, and Society*, 165-6.
- <sup>145</sup> Interview with BBC business journalist, 14 June 2013.
- <sup>146</sup> Peston, *Who Runs Britain?*, 4-5.
- <sup>147</sup> *Ibid.*, 336.
- <sup>148</sup> 'J.P. Morgan Asset Management hires BBC Economics Editor Stephanie Flanders as Chief Market Strategist for the UK and Europe', J.P. Morgan, 26 September 2013, accessed 27 December 2014, <http://insights.jpmorgan.co.uk/adviser/commentary-and-analysis/j-p-morgan-asset-management-hires-bbc-economics-editor-stephanie-flanders-as-chief-market-strategist-for-the-uk-and-europe/>.
- <sup>149</sup> Jon Kelly, 'Why does PPE rule Britain?', BBC News Magazine, 1 September 2010, accessed 27 December 2014, <http://www.bbc.co.uk/news/magazine-11136511>. For an account of the development

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of political science at Oxford see Christopher Hood, Desmond King and Gillian Peele, *Forging a Discipline: A Critical Assessment of Oxford's Development of the Study of Politics and International Relations in Comparative Perspective* (Oxford: Oxford University Press, 2014)

<sup>150</sup> The Sutton Trust, *The Educational Backgrounds of Leading Journalists* (London: Sutton Trust, 2006).

<sup>151</sup> *Elitist Britain*, 40, 71-2.

<sup>152</sup> *Ibid.* 12-15.

<sup>153</sup> Sutton Trust, *The Educational Backgrounds of Leading Journalists*. It is also interesting to note that Will Hutton, who was essentially pushed from his role as a prominent Keynesian critic of Thatcherism during John Birt's ascendancy, was candid about his elite credentials: '[T]hough I'm seen as kind of a liberal left person [...] I have lifelong friends in Bank of England and the Treasury and many friends at the top of British business. I mean genuine friends, you know, who you'd go on holiday with. That was true in the '80s, and of course it's even more true now.' (Interview with Will Hutton, 3 December 2013.)

<sup>154</sup> O'Malley, *Closedown?*, 167.

<sup>155</sup> Interview with Will Hutton, 3 December 2013.

<sup>156</sup> Interview with Richard Tait, 17 May 2013.

<sup>157</sup> Gorkana meets the BBC's Business Unit, Gorkana, accessed 6 September 2014, <http://www.gorkana.com/news/consumer/general-news/gorkana-meets-the-bbcs-business-unit/>.

<sup>158</sup> Interview with Richard Tait, 17 May 2013.

<sup>159</sup> Interview with Peter Day, 26 July 2013.

<sup>160</sup> Interview with James Long, 28 May 2014.

<sup>161</sup> Interview with BBC business journalist, 23 June 2014.

<sup>162</sup> Interview with BBC business journalist, 14 June 2013.

<sup>163</sup> Gorkana meets the BBC's Business Unit, Gorkana, accessed 6 September 2014, <http://www.gorkana.com/news/consumer/general-news/gorkana-meets-the-bbcs-business-unit/>.

<sup>164</sup> *Ibid.*

<sup>165</sup> *Ibid.*

<sup>166</sup> *Ibid.*

<sup>167</sup> Interview with Peter Jay, 26 April 2013.

<sup>168</sup> Interview with Greg Dyke, 28 May 2014.

<sup>169</sup> Maggie Brown and Jason Deans, 'Robert Peston: BBC follows the Daily Mail's lead too much', *Guardian*, 6 June 2014, accessed 27 December 2014, <http://www.theguardian.com/media/2014/jun/06/bbc-obsessed-agenda-daily-mail-robert-peston-charles-wheeler>.

<sup>170</sup> Interview with BBC business journalist, 17 July 2013.

<sup>171</sup> Interview with Evan Davis, 7 May 2013.

<sup>172</sup> Interview with Will Hutton, 3 December 2013.

<sup>173</sup> Interview with BBC business journalist, 14 June 2013.

<sup>174</sup> BBC business journalist interview, 23 June 2014.

<sup>175</sup> Interview with Martin Greig, 27 March 2014.

<sup>176</sup> Interview with Nicholas Jones, 25 February 2013.

<sup>177</sup> Interview with Nicholas Jones, 25 February 2013.

<sup>178</sup> Interview with former senior editor, 12 April 2013.

<sup>179</sup> O'Malley, *Closedown?*. Miller and Dinan, 2008. *A Century of Spin*.

## Chapter 8

### Some concluding remarks

In this brief concluding chapter I provide a summary of my findings, offer some remarks on the methodological and theoretical issues addressed in the opening chapter and suggest how the analysis developed in this thesis can help to advance our understanding of media and communications, and public service broadcasting in particular.

Over the course of the previous six chapters, I have presented a series of historical-sociological case studies which together comprise an account, albeit an inevitably incomplete one, of how the breakdown of social democracy and the rise of neoliberalism impacted on the BBC. Part I described how during the social crisis of the 1970s the BBC faced what Habermas at that time influentially dubbed a 'legitimation crisis'.<sup>1</sup> This was linked to the rise of egalitarian movements which challenged the authority of social institutions and power relations, both public and private, as well as a growing conservative backlash, which in its own way also challenged the legitimacy of the liberal democratic order. This legitimation crisis took place in the context of a wider crisis of the social democratic state, which was in turn linked to a crisis in the international infrastructure of post-war capitalism. The wider social crisis was keenly felt by the BBC, which was institutionally tied to the social democratic order and embedded within broader power structures through ministerial powers of appointment, parliamentary control over the licence fee and Royal Charter and elitist recruitment policies. The ties which bound the BBC to the imperilled social democratic order were, moreover, tightened during this period as the politically appointed BBC leadership took a conscious conservative turn, and the Corporation was put under considerable financial pressure by the Labour government, which sought to resolve economic crisis through fiscal austerity and wage repression. Orientated towards and legitimised by the very social order that seemed under strain, the BBC fought alongside the state to curtail the influence of union militancy and sixties radicalism, and to stem its own 'fiscal crisis' through wage repression.

The BBC's embeddedness within the power structures of British society was reflected in the privileged access granted to elites in news and current affairs programming, and in naturalised professional codes – impartiality, balance and so on – which were codified in this period largely as a defensive response to widespread challenges to the BBC's editorial prerogative. Key to the critique of journalistic ideologies and practices at that time was the (mis)representation of industrial relations, coverage of which routinely blamed workers and trades unions for perceived economic decline and crisis. Whilst the BBC privately acknowledged shortcomings in its reporting, it nevertheless refused to depart from, or for the most part even seriously question, long standing editorial conventions. This left an explanatory vacuum in the BBC's reporting of events, which the New Right were able to skillfully exploit.

This brings us to Part II. The social crisis of the 1970s had been diagnosed by key sections of the elite as being caused by an excess of democratic claims on the state. This interpretation was supported by the prevailing patterns of economic reporting, but it was influenced in particular by the increasingly influential neoliberal movement and its cogent diagnosis of the crisis. Neoliberalism was both a 'thought collective' and a political project nurtured by sections of the capitalist class, and its adherents hoped to reconfigure politics and restore capitalist power – in effect rolling back the democratic and egalitarian gains of the post-war era. In Britain, the political movement known as Thatcherism was committed to instituting a new neoliberal order and during the 1980s the BBC came under relentless attack from a coalition of Conservative politicians, companies and private advocacy groups over its funding, structure and its political programming – including especially its coverage of foreign policy issues.

Whilst the BBC survived what were doubtless existential threats, this survival came at the price of ever greater accommodation with the emerging neoliberal order. It subsequently underwent a long process of institutional and cultural change; part of a broader reconfiguration of politico-economic structures and elite political culture. Organisationally it was subject to a radical restructuring under

the leadership of John Birt, a committed neoliberal who implemented a form of managerialism at the Corporation which was heavily influenced by the neoliberal ‘thought collective’. Business values meanwhile became increasingly prevalent, not only institutionally, but in the BBC’s reporting. Whilst the interests and perspective of workers had long been marginalised, those of business became ever more deeply embedded within the working practices and professional ideologies of BBC journalists. ‘Business journalism’ came to displace social democratic patterns of reporting as a result of both top down initiatives and a range of external factors, notably privatisation and financialisation, the changing political economy of the private media and the power of advertising and PR. The BBC was thus transformed from a quintessential social democratic institution to a neoliberal bureaucracy.

The approach taken in this study has been thoroughly empirical, drawing on in-depth interviews and archival records, which have been extensively quoted throughout. The use of archival material in Part I represents an important empirical contribution to the existing literature on broadcasting and power, much of which is contemporary to the historical period under examination in those chapters, but which was undertaken without access to the formerly classified official documents and minutes drawn on here. Chapter 5 of Part II similarly draws on newly available records (obtained under the Freedom of Information Act) and empirically speaking adds to existing accounts of the organisational reforms introduced under Birt. Chapters 6 and 7, meanwhile, are the only detailed account of the BBC’s business and economics reporting in the neoliberal period.

This brings us to the theoretical contribution of this thesis. Theory, or at least abstract theorising, has been kept to a minimum, and analysis has been kept in close proximity to, and in dialogue with, the evidence presented. This approach reflects my belief that sociology (and this applies to the social sciences more generally) offers us a powerful set of intellectual tools to advance our understanding of the social world – and tools after all are of little use unless they are put to work on materials in pursuit of some purpose. It follows that sociological theories and methods must be brought to bear on the world. In keeping with this maxim, there will be no grand theorising in this closing section. I will however, make more explicit some of the conclusions I have reached over the course of my research.

In *More Bad News*, the Glasgow University Media Group, to which this research owes a considerable debt, dismissed Schlesinger’s ethnographic study of BBC news production as offering no insights since it failed ‘to take cognisance of what is actually produced’.<sup>2</sup> Whilst I wholly agree that knowledge of what is produced by media organisations is crucial to any account, this seems to me an ill-considered remark. Schlesinger might have replied that the Glasgow Group’s work conversely offered no insights since it failed to take cognisance of *how* news is produced and *why* it takes the particular form it does. Indeed, I would argue that content studies, or discourse analyses, can for this reason only ever provide a partial picture since they cannot reveal the interests and social processes at work behind discourses. As the work of the Glasgow Group has always acknowledged, media messages privilege certain understandings of society – understandings which are related to particular interests:

Phrases such as ‘one-sided disarmament’, ‘the winter of discontent’, ‘inflationary wage demands’, and ‘popular capitalism’ do not simply evolve independently of human action. They are thought up and *used* in response to specific situations and conflicts.<sup>3</sup>

The scholarship on media sources builds on this point by focusing attention on the strategies of sources and their relations with media organisations, examining more concretely how actors seek to shape media content.<sup>4</sup> Whilst acknowledging that this is a valuable avenue of research, this study has turned attention back to the site of journalistic production, arguing that, the claims of the Glasgow Group notwithstanding, an investigation of the prevailing norms and practices within media organisations is a crucial component of any satisfactory social scientific account.

I have sought to develop here an historically informed institutional account, meaning that the approach taken is perhaps closest to the more penetrating historical studies of British broadcasting cited in Chapter 1, as well as the various ethnographic studies of the BBC to which this study also owes a considerable debt. Like those studies, this thesis has illuminated in some detail new aspects of the BBC’s institutional life. It is distinct, however, in that it has focused much more closely on the question of how this institutional life has been shaped by wider social forces, significantly advancing

our knowledge and understanding of the BBC, and especially its relationship with politicians and other elites. To return to the vocabulary of the introductory chapter, this thesis has illuminated in different ways the social forces which have shaped a 'particular micro context' within which 'mass communication' takes place,<sup>5</sup> and has understood the communicative structure as being embedded within wider networks of power and influence. It has emphasised that actors not only actively compete for representation within media, but also seek to reshape the very terrain of that struggle. This allows us to link journalistic practices with wider power structures and struggles, allowing for an effective synthesis of superficially antagonistic theories and research traditions, and providing a much richer understanding of the role and function of media in capitalist societies.

Bertrand Russell remarked that 'the fundamental concept in social science is Power, in the same sense in which Energy is the fundamental concept in physics,'<sup>6</sup> and this thesis has followed Russell by bringing the question of power centre stage. This, it should be noted, is not simply a normative question, or personal preference. Britain is a society characterised by a highly unequal distribution of wealth and power, and any account which ignores that social fact will inevitably fall short analytically. There are of course many existing scholarly and journalistic accounts which illuminate various aspects of the BBC's institutional life, or which detail its fraught relationship with politicians. But such accounts have tended to ignore the extent to which the BBC is embedded within the British Establishment and thus have failed to adequately integrate their findings into a broader analysis of the BBC's role in British society. Seaton's recent official history, for example, is, like Brigg's earlier work, empirically rich. But it does not mention, let alone adequately conceptualise, neoliberalism, for example, and neither does it take adequate account of the scholarship on media content.<sup>7</sup> Born's ethnographic study is similarly rich in its empirical material, and markedly more sophisticated in its analysis, but it is still marred by a failure to integrate its findings into a broader political and sociological analysis. By examining empirical material in the light of scholarly work on neoliberalism, broadcasting and power, this thesis offers a much more penetrating account. This has yielded important new analytical insights. The institutional reforms of the Birt era, for example, have been recognised as a form of neoliberal praxis, as opposed to a pragmatic institutional response to the challenge posed by hostile politicians. More generally, the analysis of archival and interview material in the light of macrosociological research and secondary literature has allowed for a greater appreciation of the subtle ways in which journalistic norms are shaped by wider social forces, and a more satisfactory understanding of the BBC and its place within the power structures of British society.

In its attention to broader sociological questions, this thesis shares certain features with political economy approaches to the study of the media. It has, however, endeavoured to avoid the abstractions and mystifications that such approaches tend towards, and to more concretely describe the exercise of social power. The task of a sociologist, Loïc Wacquant, has suggested 'is to produce a precise science of an imprecise, fuzzy, woolly reality',<sup>8</sup> and in this thesis I have sought to develop a rigorous sociological account which addresses the big questions raised by contemporary social movements about democracy power and inequality without doing violence to the complex social reality with which it is concerned. In doing so, this study has also sought to overcome the structuralist bent of many political economy approaches, which have tended not only to engender a certain imprecision when it comes to describing exactly how powerful interests are able to shape media content, but relatedly also tend to give little sense of the fact that elites have to *actively* pursue their interests, and cannot simply rely on a social system to do so on their behalf and on its own accord. Such approaches have for this reason tended to engender considerable pessimism about the possibilities for change. I hope that by contrast this thesis provides not only a more precise account of social power in action, but also gives a greater sense of the contingency of our current social arrangements and therefore the potential for more democratic alternatives.

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<sup>1</sup> Jürgen Habermas, *Legitimation Crisis* (Cambridge: Polity Press, 1988).

<sup>2</sup> Glasgow University Media Group, *More Bad News*. London: Routledge and Kegan Paul, 2010, 387, fn 24.

<sup>3</sup> Philo, *Seeing and Believing*, 188.

<sup>4</sup> Schlesinger and Tumber, *Reporting Crime*. Paul Manning, *News and News Sources: A Critical Introduction* (London: Sage, 2001).

<sup>5</sup> Golding and Murdock, 'Culture, Communications and Political Economy,' 18.

<sup>6</sup> Bertrand Russell, *Power: A New Social Analysis* (London and New York: Routledge, 2004), 3.

<sup>7</sup> Jean Seaton, *Pinkoes and Traitors: The BBC and the nation, 1974 - 1987* (London: Profile Book, 2015).

<sup>8</sup> Pierre Bourdieu and Loïc J. D. Wacquant. *An Invitation to Reflexive Sociology* (Cambridge: Polity Press, 1992), 23.



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The minutes of the News and Current Affairs meetings, and some other meetings, are stored on microfilm and are cited here without further references.

The following files were consulted having been obtained under the Freedom of Information Act 2000:

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Files have been consulted from the following collection:

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HO 245 – Committee on The Future of Broadcasting (1974-1977): Minutes, Evidence and Papers.

## Section 2: Interviewees

Name	Notable position/s	Date of interview
Anon.	Former BBC senior editor.	12 April 2013
Anon.	BBC business journalist.	14 June 2013
Anon.	BBC business journalist.	17 July 2013
Anon.	Former BBC business journalist.	29 July 2013
Anon.	Former BBC senior editor.	2 August 2013
Anon.	Former BBC economics and business journalist.	12 August 2013
Anon.	Former BBC senior editor.	26 February 2014
Anon.	BBC business journalist.	23 June 2014
Tony Benn	Former Labour Party politician and Cabinet Minister.	3 February 2011
Michael Bett	BBC Director of Personnel, 1977–81.	23 June 2011
Roger Bolton	Editor, Tonight (1978), Panorama (1979) and Nationwide (1981).	3 June 2011
Iain Carson	BBC business correspondent, 1990-94.	8 February 2013
Rory Cellan-Jones	BBC business correspondent, 1998-2006.	18 July 2013
Stephen Coulter	Senior Economics and Business Analyst, BBC News, 2000-12.	9 January 2014
James Curran	Member of Labour Party media policy study group which produced 'The People and the Media'.	2 March 2011
Mark Damazer	Director of Journalism, BBC News, 2000–01; Deputy Director of News, 2001–04.	20 August 2013
Evan Davis	BBC Economics Correspondent, 1993–2001; BBC Economics Editor, 2001–08.	7 May 2013
Peter Day	BBC Global Business Correspondent; Presenter, <i>In Business</i> .	26 July 2013
Greg Dyke	BBC Director General, 2000–04.	28 May 2014
John Fryer	BBC industrial correspondent, 1982-97.	10 June 2013
Paul Gibbs	Head of Business Programmes, BBC TV; 1990-2003.	7 May 2013
Martin Greig	BBC business and economics producer, 2001-12.	27 March 2014
Richard Griffiths	BBC business reporter, 1994-2006.	27 February 2013
John Hosken	BBC industrial correspondent, 1970s.	2 March 2012
Will Hutton	Director and Producer, Money Programme, 1981–83; Economics Correspondent, Newsnight, 1983–88.	3 December 2013
Peter Jay	BBC Economics and Business Editor, 1990–2001.	26 April 2013
Nicholas Jones	BBC industrial and political correspondent, 1972-2002.	25 February 2013

William Keegan	Member, BBC Advisory Committee on Business and Industrial Affairs, 1981–88.	1 August 2013
Roy Lockett	Former Deputy General Secretary of ACTT and BECTU.	20 November 2013
James Long	BBC economics correspondent, 1978–88.	28 May 2014
Tom Maddocks	BBC financial reporter, 1982–87; Money Programme reporter, 1989–c.1996.	2 August 2013
Pauline McCole	BBC business news presenter.	6 September 2013
Greg Philo	Founder member of the Glasgow University Media Group.	14 January 2011
Richard Quest	BBC and financial business correspondent, 1987–2001.	28 February 2013, 2 April 2013
Richard Sambrook	Head, Newsgathering, 1996–99; Deputy Director, 1999–2001, Director, 2001–04, BBC News; Director, BBC Global News, 2004–10.	27 March 2014
Richard Tait	Researcher, Money Programme, 1974–75; Producer, Nationwide, 1976–82, Money Programme, 1983–85, Newsnight, 1985–87; BBC Governor, 2004–06; BBC Trustee, 2007–10.	17 May 2013
Andrew Taussig	Special Assistant to Director, News and Current Affairs, 1979–80.	22 January 2011

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## **Appendix: Notes on methodology**

This thesis examines how the breakdown of social democracy and the rise of neoliberalism impacted on the BBC's policies, organisational structure and institutional culture. In doing so, it seeks to develop a greater understanding of the BBC's place in the Establishment and its relationship with elites, and as such is an exercise in 'studying up' sociology which follows Aguiar's call to 'redirect the academic gaze upward'.<sup>1</sup> But whilst concerned with uncovering the often 'private world' of broadcasting<sup>2</sup> and the elites which have shaped it, it is not an exposé. Rather the intention has been to develop an empirically and analytically rich understanding of the social world of its subjects, and to place it and them in a broader sociological context. The study draws on (1) archival records and other historical sources including biographical accounts, newspaper reports and other contemporary documents (2) in-depth, semi-structured interviews conducted mainly with current and former BBC journalists and executives, and a small number of outside figures, and (3) macrosociological, literature reviews, and investigative research providing broader context to those two main sources of 'micro' data.

The identification of relevant archives for consultation was relatively straightforward since the records of the BBC and the British government, housed at the BBC Written Archives in Caversham and the National Archives in Kew respectively, are both popular sources for historical research. The availability of further archival material was gauged through searches of Archives Hub, a website which consolidates archival records from over 220 institutions in the UK. Of the other archives identified, however, only the Churchill Archives in Cambridge was judged to be potentially useful enough to warrant consulting, and this yielded only a small amount of data compared to the main archival sources. The records examined at Caversham and Kew, which pertain to Part I of this thesis, have been made available for research under the so called 'thirty-year rule'. Access to a further set of formerly classified files pertaining to the implementation of Producer Choice in the 1990s, meanwhile, was obtained through use of the Freedom of Information Act 2000.

The small number of people interviewed for Part I all featured in the contemporary records, and were approached for interview for that reason with a view to obtaining further insights into the documentary materials. The 31 interviewees conducted for Part II, meanwhile, were selected by collating the names of all individuals listed as working in business or economics in the BBC's annual staff lists at Caversham, as well as any individuals publicly listed on the business networking website LinkedIn as current or former BBC economics and business staff. To ensure that any significant figures were not overlooked, all interviewees were asked at the conclusion of an interview to suggest any other potential interviewees. This resulted in the identification of only a small number of individuals not already been identified, suggesting that the initial selection process was sufficiently rigorous. In total, 95 potential interviewees were identified. Contact details were obtained for 61 of these and 31 agreed to be interviewed. A further six individuals were interviewed in relation to Part I, meaning that a total of 37 interviews were conducted over the course of the study. Twelve were conducted in person, and the remainder over the phone. All the interviews were recorded with the exception of one, which relied instead on written notes.

Before commencing with an interview, interviewees were provided with a summary of the purpose of the study and told why they have been approached as a potential interviewee. They were explicitly informed that they did not need to take part in the study and that they could withdraw their consent at any time during the interview. It was emphasised, however, that once the interview was completed, interviewees would not then be able to later withdraw their consent. Interviewees were explicitly informed that if they chose to take part in the study then they could choose to do so anonymously if they so wished, meaning that their words would be quoted, but that they will not be identifiable. Interviewees that consented to being identified were also advised that if they wished they could still provide certain information 'off the record', meaning again that this information might be quoted, or referred to, but they would not be named, and it would not be used in a way which would make them identifiable.

The interviews usually lasted around 45 minutes to an hour and were semi-structured, meaning that whilst they were arranged around a set line of questioning, interviewees were afforded considerable freedom to develop their own thoughts and reflections in detail and depth, with further questioning

adapted to explore promising new information or lines of inquiry. Effort was made to ensure the interviewees were relaxed and engaged, and the interview process focused, but conversational. This more flexible and informal approach was intended to allow for the development of a rapport with interviewees, and a greater understanding of their experiences and perspectives.

Finally, the third category of data gathering used in this study involved the review of scholarly literature on media content and the political history and political economy of the period under research; the utilisation of public opinion data; and the examination of the biographies of the key actors and the social history of the ideas which animated and impacted on them. This involved a combination of conventional scholarly approaches and to a lesser extent certain research methods more conventionally used in journalism – the consultation of newspaper interviews and biographical databases like *Who's Who* and *Debretts*, for example.

The qualitative, mixed method, approach adopted was designed to develop an understanding of the agents under examination, without necessarily having to defer to their perceptions and interpretations; to afford the respect, and satisfy the ethical obligations a researcher owes their subjects, whilst still meeting the scholarly commitment to truth and accuracy and the broader ethical and normative obligations to society which, I believe, come with the relative privilege of scholarly work.

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<sup>1</sup> Luis L.M. Aguiar, 'Redirecting the Academic Gaze Upward,' in *Researching Amongst Elites: Challenges and Opportunities in Studying Up*, Luis L.M. Aguiar and Christopher J. Schneider eds. (Farnham: Ashgate, 2012), 1-28.

<sup>2</sup> Burns, *The BBC*.